

Press Release

3 September 2009

THE GO-AHEAD GROUP PLC
 ("Go-Ahead" or "the Group")

PRELIMINARY RESULTS FOR THE YEAR ENDED 27 JUNE 2009

We are pleased to report a good set of results for the Group, slightly ahead of our expectations in June.

Highlights

- Retention of the Southern rail franchise from September 2009
- High speed preview service successfully introduced
- Record results for our bus division
- Robust results from our rail franchises
- Strong cash management
- Proposed full year dividend maintained at 81.0 pence per share

| Financial highlights | 2009 £'m | 2008 £'m | Increase / (decrease) £'m | Increase / (decrease) % |
|------------------------------------|-------------|-------------|---------------------------------|-------------------------------|
| Revenue | 2,346.1 | 2,199.1 | 147.0 | 6.7% |
| Operating profit* | 123.6 | 144.9 | (21.3) | (14.7)% |
| Profit before tax* | 112.1 | 131.1 | (19.0) | (14.5)% |
| Profit before tax | 42.0 | 103.1 | (61.1) | (59.3)% |
| Cashflow generated from operations | 233.4 | 192.5 | 40.9 | 21.2% |
| Basic earnings per share (p) | 14.7 | 128.8 | (114.1) | (88.6)% |
| Adjusted earnings per share (p)* | 152.3 | 174.8 | (22.5) | (12.9)% |
| Dividend paid and proposed (p)# | 81.0 | 81.0 | Nil | Nil |

* Before amortisation of £12.4m and exceptional items of £57.7m

Includes interim dividend paid and final dividend proposed

Commenting on Go-Ahead's outlook, Chairman, Sir Patrick Brown said:

"We have not changed our overall view on the outlook since our trading update in June 2009. We believe we are well placed for the year ahead, although we continue to assume economic conditions in the UK will remain difficult over the next twelve months.

"Our bus operations have proven to be robust and we expect demand for these services to remain strong. Our rail operations should deliver a good level of profitability in the year ahead, albeit below the level achieved to June 2009. Our aim is to supplement the expected modest growth in underlying passenger revenue with additional revenue from our new high speed rail services in Southeastern, revenue initiatives in our new Southern franchise and comprehensive cost control across all three franchises. In aviation services, we expect our ongoing restructuring programme to protect against near term deterioration whilst strengthening our position for the medium term.

"Our strategy remains to provide high quality public transport services in the UK, targeting organic growth through the economic cycle and from value-adding capital investment and acquisitions. We will maintain our financial discipline and strong balance sheet; our financing is secure and we remain committed to providing solid returns to shareholders.

"We have started the new financial year well and trading has been in line with the Board's expectations."

For further information, please contact:

The Go-Ahead Group

| | |
|--------------------------------------------|---------------|
| Keith Ludeman, Group Chief Executive | 020 7821 3920 |
| Nick Swift, Group Finance Director | 020 7821 3922 |
| Jim Boyd, Group Corporate Affairs Director | 020 7821 3927 |

Citigate Dewe Rogerson

020 7638 9571

Michael Berkeley
Chris Barrie
Angharad Couch

Keith Ludeman, Group Chief Executive and Nick Swift, Group Finance Director will be hosting a presentation for analysts at 8.30am today (3 September 2009) at Investec, 2 Gresham Street, London EC2V 7QP, Tel: +44 (0) 20 7597 5970

A dial-in facility for analysts to listen to the live presentation is available:

Dial-in details:

International dial-in: +44 20 7138 0844

UK Freephone: 0800 032 3808

The presentation slides will be added to Go-Ahead's website (www.go-ahead.com) at around 7:30am today.

A pdf copy of the Group's Annual Report for the year ended 27 June 2009 will also be available to download from the website today: <http://www.go-ahead.com/goahead/ir/presentations/>

NOTES TO EDITORS

GO-AHEAD

Go-Ahead is one of the UK's leading providers of passenger transport services operating in the bus, rail and aviation services sectors. Employing around 27,000 people across the country, around 960 million passenger journeys are undertaken on our services each year. In addition to the travelling public, customers include the Department for Transport (DfT), Transport for London (TfL), local authorities, British Airports Authority (BAA) and major airlines.

BUS

Go-Ahead is one of the UK's largest bus operators. With a fleet of over 3,500 buses, we carry, on average, around 1.6 million passengers every day. Our operations are focused on high density commuter markets. We have a strong presence in London, with around 21% market share, where we provide regulated services for TfL. We operate deregulated services in the north east, Oxford, the south east and southern England.

RAIL

The rail operation, Govia, is 65% owned by Go-Ahead and 35% by Keolis. It is the busiest rail operation in the UK, responsible for nearly 30% of all UK passenger rail journeys through its three rail franchises: Southern (which includes the Gatwick Express), Southeastern and London Midland. In December 2009, Southeastern will launch the UK's first high speed domestic rail service between Kent and London, significantly reducing current journey times. Southeastern is currently running preview services.

For further information about our rail franchises please visit our factsheets:

www.go-ahead.com/goahead/ir/factsheets_rail/

AVIATION SERVICES

The Group's aviation services division is one of the UK's largest independent providers of cargo services (primarily Plane Handling), ground handling (primarily aviance UK) and car parking (Meteor). The division operates from 15 airports and services major airline operators such as British Airways (BA), Virgin and bmi.

Legal disclaimer

Certain statements included in this press release contain forward-looking information concerning the Group's strategy, operations, financial performance or condition, outlook, growth opportunities or circumstances in the sectors or markets in which the Group operates. By their nature, forward-looking statements involve uncertainty because they depend on future circumstances, and relate to events, not all of which are within the Company's control or can be produced by the Company. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Actual results could differ materially from those set out in the forward-looking statements. Nothing in this press release should be construed as a profit forecast and no part of these results constitutes, or shall be taken to constitute, an invitation or inducement to invest in The Go-Ahead Group plc or any other entity, and must not be relied upon in anyway in connection with any investment decision. Except as required by law, the Company undertakes no obligation to update any forward-looking statement.

PRELIMINARY RESULTS FOR THE YEAR ENDED 27 JUNE 2009

Chairman's Statement

The effects of the economic downturn during the past twelve months have demanded exceptional effort to stay on track. We have achieved that and have delivered a good set of results as a consequence.

Our long standing strategy is to deliver high quality passenger transport services in dense, urban markets, primarily through bus and rail. This has provided us with a core of strong and sustainable positions in regulated and deregulated bus markets, which have been resilient in the current economic environment. The bus operations are complemented by our significant UK rail presence which consists of a 65% share in three strategically selected, commuter focused rail franchises. These are tightly managed to deliver shareholder value and we are delighted to have retained the Southern franchise for another five years from September 2009.

Business performance highlights

Overall, revenue increased by £147.0m, or 6.7%, to £2,346.1m (2008: £2,199.1m) primarily due to a full year of London Midland and Gatwick Express rail revenue. Operating profit* was slightly ahead of our expectations at £123.6m, albeit £21.3m or 14.7% below last year's particularly strong result (2008: £144.9m). Adjusted earnings per share (before amortisation and exceptional items) were 152.3p (2008: 174.8p) and basic earnings per share were 14.7p (2008: 128.8p). Profit for the year, after tax and exceptional items, was £18.3m (2008: £76.8m).

Dividends

Following the Group's good performance, the Board is proposing a final dividend of 55.5p per share (2008: 55.5p) to maintain the total dividend for the year at 81p (2008: 81p). The final dividend is payable on 20 November 2009 to shareholders on the register at the close of business on 6 November 2009.

The Board of Directors and Governance

Christopher Collins retired from the Board as a Non-Executive Director on 23 October 2008. As I said last year, we will miss Christopher's significant contribution to the Group. Andrew Allner joined the Board as a Non-Executive Director and Chairman of the Audit Committee on 24 October 2008. Rupert Pennant-Rea was appointed as the Senior Independent Director on 23 October 2008.

Outlook

We have not changed our overall view on the outlook since our trading update in June 2009. We believe we are well placed for the year ahead, although we continue to assume economic conditions in the UK will remain difficult over the next twelve months.

Our bus operations have proven to be robust and we expect demand for these services to remain strong. Our rail operations should deliver a good level of profitability in the year ahead, albeit below the level achieved to June 2009. Our aim is to supplement the expected modest growth in underlying passenger revenue with additional revenue from our new high speed rail services in Southeastern, revenue initiatives in our new Southern franchise and comprehensive cost control across all three franchises. In aviation services, we expect our ongoing restructuring programme to protect against near term deterioration whilst strengthening our position for the medium term.

Our strategy remains to provide high quality public transport services in the UK, targeting organic growth through the economic cycle and from value-adding capital investment and acquisitions. We will maintain our financial discipline and strong balance sheet; our financing is secure and we remain committed to providing solid returns to shareholders.

We have started the new financial year well and trading has been in line with the Board's expectations.

Group Chief Executive's Review

We are pleased with this year's performance, which has been delivered through our experienced and focused management style and devolved structure.

| Revenue and operating profit* by division | 2009 | 2008 | Increase / (decrease) | Increase / (decrease) |
|-------------------------------------------|----------------|----------------|-----------------------|-----------------------|
| | £'m | £'m | £'m | (%) |
| Revenue | | | | |
| Bus | 584.7 | 557.7 | 27.0 | 4.8 |
| Rail | 1,552.0 | 1,378.4 | 173.6 | 12.6 |
| Aviation Services | 209.4 | 263.0 | (53.6) | (20.4) |
| Total | 2,346.1 | 2,199.1 | 147.0 | 6.7 |
| | | | | |
| Operating profit / (loss)* | | | | |
| Bus | 66.6 | 66.2 | 0.4 | 0.6 |
| Rail | 61.5 | 77.2 | (15.7) | (20.3) |
| Aviation Services | (4.5) | 1.5 | (6.0) | n/a |
| Total | 123.6 | 144.9 | (21.3) | (14.7) |

* Before amortisation and exceptional items

Overview of performance

Overall operating performance was slightly ahead of our expectations, with operating profit* of £123.6m underpinned by record results from our bus operations and good results from rail after a particularly strong year to June 2008.

Strong cash management resulted in a reduction in net debt to £91.0m (2008: £197.8m). Total capital investment was in line with depreciation to maintain our high quality asset base. We remain highly disciplined in our assessment of potential acquisitions and franchise bids. We were delighted to retain our Southern rail franchise which we believe we secured on the basis of current and prudent economic assumptions and deliverable initiatives. We did not complete any acquisitions during the year but, as recently announced, we have agreed to acquire East Thames Buses from Transport for London (TfL) for £5m and Arriva's Horsham bus operations for £5m. Both are due to complete in the second quarter of the new financial year.

We remain financially robust, with a strong balance sheet and secure financing and propose to maintain our full year dividend to shareholders at 81p per share (2008: 81p per share).

Divisional performance overview

Bus

Our bus division performed slightly ahead of our expectations for the year, reporting record results despite adverse movements in fuel, pension and accident claims costs. We increased revenue in all six of our bus companies; a result which endorses the economic resilience of these operations. Our devolved structure provided high levels of service quality, customer focus and strong local cost control. This was supplemented by Group purchasing power and de-risked through comprehensive fuel hedging. Capital investment above depreciation ensured we continued to benefit from well maintained freehold depot locations and from one of the youngest bus fleets in the sector.

Rail

Our rail operations performed well, in line with our expectations. Each UK rail franchise is different and we believe our three franchises are relatively robust given their focus on high density, urban commuter markets. Revenue continued to grow in all three operations, albeit, as expected, at a slower rate in the second half and overall service quality remained strong. We are making good progress with cost control initiatives, particularly in Southeastern and also in London Midland where we have recently appointed a new managing director to lead the changes in that franchise. Looking forward, we are well advanced with preparations for the new Southern franchise commencing in September 2009 and the UK's first domestic high speed rail service in Southeastern from December 2009.

Aviation Services

Aviation services delivered a performance in line with our expectations. This was despite difficult trading conditions in ground handling and cargo and the previously reported loss of contracts in Meteor parking. We recognised an exceptional non-cash impairment charge of £38.4m in the first half to reduce the carrying value of our ground handling and cargo operations to approximately £20m. We will continue with the necessary restructuring in this division to protect against near term deterioration in operating results and to strengthen our medium term position.

Market environment

Public transport remains crucial to the development of the UK and is strongly supported by the main political parties. We believe that it is likely to generate long term growth if supported by operators with strong local stakeholder relationships providing high quality services and innovation.

In the short term, we need to deal with the current phase of the economic cycle. Demand for our bus operations has proven to be resilient. In rail, we believe that the underlying passenger revenue growth (before new services and other initiatives) will broadly follow the economic cycle. We expect the market conditions for our aviation services division to remain challenging in the near term.

Our strategy

Our strategy remains to provide high quality passenger transport in the UK.

The underlying elements of this strategy are to:

- Run our companies in a socially and environmentally responsible manner
- Provide high quality, locally focused passenger transport services
- Prioritise high density, urban markets in the UK
- Maintain strong financial discipline to deliver shareholder value

These elements have a number of performance indicators, both financial and non financial, which are routinely measured for improvement trends and comparison between operating companies.

In the near term, our priority is to deliver value from our existing portfolio of operations.

Key risks to our performance include a major accident or incident, or an unexpected reduction in demand for our services. We operate a strong governance structure and control environment to mitigate these and other risks as far as possible.

In summary

We are pleased with this year's performance. Our strategy is straightforward and we remain confident in the underlying strengths of the Group. Going forward, we will maintain our financial discipline and prioritise the delivery of value from our existing portfolio of operations.

Financial Review

The past year has seen unprecedented turmoil in the financial markets, highlighting the importance of financial discipline and strong cash management.

Operating profit

Operating profit* for the year was £123.6m, 14.7% below last year (2008: £144.9m) primarily due to a particularly strong prior year in our rail division. Adjusted earnings per share* followed a similar trend, down 12.9% to 152.3p per share (2008: 174.8p). Basic earnings per share were 14.7p per share (2008: 128.8p per share) as a result of significant exceptional items.

Cash conversion

Cash conversion was excellent, with cashflow generated from operations of £233.4m (2008: £192.5m) compared to operating profit before depreciation, amortisation and exceptional items (EBITDA) of £173.3m (2008: £194.0m). Most of this improvement came from favourable working capital movements in our rail division which are expected to reverse next year.

Balance sheet

Our balance sheet and financing remains strong. Adjusted net debt to EBITDA was 1.57x at June 2009 (June 2008: 1.65x) and remains well within our target range of 1.5x-2.5x through the cycle. Our funding is secured to December 2012 through a five year syndicated loan facility and at June 2009 we had headroom within this facility of £101.0m.

Operating profit before depreciation, amortisation and exceptional items (EBITDA)

EBITDA was £173.3m (2008: £194.0m), consisting of operating profit* of £123.6m (2008: £144.9m) and depreciation of £49.7m (2008: £49.1m).

Pensions

Operating profit* included the net cost of the Group's defined benefit pension plans of £36.1m (2008: £24.9m). The increase of £11.2m comprised an additional £8.5m in rail, of which £2.6m was due to a full year of London Midland, and £2.7m was non-rail costs (primarily bus). Company cash contributions to the schemes were £2.8m higher than the net cost in the income statement, totalling £38.9m (2008: £41.7m, inclusive of a £7.5m additional contribution).

The total net pension deficit after tax was £60.1m (2008: £42.8m), consisting of a total pre-tax liability of £83.5m (2008: £59.4m) less a deferred tax asset of £23.4m (2008: £16.6m).

The net deficit before taxation on the non-rail defined benefit schemes was £76.0m (2008: £59.4m), consisting of estimated liabilities of £428.7m (2008: £436.2m) less assets of £352.7m (2008: £376.8m).

The net deficit before taxation on the rail schemes was £7.5m (2008: £nil). The nature of these schemes means that we only recognise the share of deficit (or surplus) expected to be funded (or received) over the franchise period.

Goodwill and intangible amortisation

The charge for the period of £12.4m (2008: £11.6m) represents the non-cash cost of amortising goodwill, intangibles including assets associated with pension accounting for the rail franchises and computer costs. The increase against the prior period reflects a full year of ownership of the London Midland franchise.

Net finance costs

The net finance costs for the period reduced to £11.5m (2008: £13.8m) due to a reduction in average levels of net debt and lower interest rates towards the end of the period. The average net interest rate was 5.0% (2008: 6.4%) for the period and the proportion of gross debt held under fixed interest agreements at 27 June 2009 was 47.2% (2008: 30.2%).

Exceptional items

Exceptional items were significant in the year, totalling £57.7m before taxation, of which £49.8m was recognised in the first half. Most of the items were non-cash, with cash items totalling £10.1m. The largest item was a first half, non-cash impairment charge of £38.4m reflecting the challenging conditions in aviation services. This reduced the carrying value of the ground handling and cargo operations within the aviation services division to approximately £20m at December 2008 and remains appropriate at the year end.

Non-cash exceptional items also included £6.9m relating to the fair value of part of the current year bus fuel hedge (designated as ineffective under IAS 39 'Financial Instruments: Recognition and Measurement'), £0.8m in respect of accelerated depreciation on articulated buses in London with a further exceptional charge of around £3m expected in relation to this issue over the next two years, and £1.5m of provision for onerous contracts in our Meteor parking operations.

Exceptional cash costs totalled £10.1m, consisting of restructuring and reorganisation costs of £5.4m in aviation services and £4.7m in rail.

Taxation

The net taxation charge in the income statement of £23.7m (2008: £26.3m) included underlying tax on ordinary activities of £26.6m (2008: £29.1m), equivalent to an effective rate of 26.7% (2008: 24.4%). The increase in effective rate compared to the decrease in UK statutory rate for the period of 28.0% (2008: 29.5%) reflects the reduced availability of cost effective, tax efficient asset finance arrangements in the period.

The charge also included an exceptional, non-cash tax charge of £8.6m (following the UK Government's abolition of industrial buildings allowances announced in July 2008) and a tax benefit of £11.5m (2008: £2.8m) resulting from the exceptional costs.

Minority interest

The minority interest in the income statement of £12.0m (2008: £20.8m) arises from our 65% holding in Govia Limited (which owns our rail operations) and therefore represents 35% of the profit after taxation of the rail division.

Adjusted earnings per share

Adjusted profit attributable to members* was £65.4m (2008: £76.0m). This consisted of a profit attributable to members of £6.3m (2008: profit £56.0m) adjusted to add back members' share of post tax amortisation of £6.9m (2008: £6.4m), and members' share of exceptional items of £52.2m (2008: £13.6m).

The weighted average number of shares reduced to 42.9 million (2008: 43.5 million) due to the repurchase of shares during last year. The closing number of shares in issue, net of treasury shares, was 42.9 million (2008: 42.8 million).

Adjusted earnings per share* decreased by 12.9% or 22.5p per share to 152.3p per share (2008: 174.8p per share).

Dividends

The Board is proposing a total dividend for the year of 81.0p per share, unchanged from last year and including a proposed final payment of 55.5p payable on 20 November 2009 to shareholders on the register at the close of business on 6 November 2009. This is equivalent to a total payment of £34.7m, based on 42.9 million shares.

Dividends paid in the period represents the payment of last year's final dividend of 55.5p (2008: 55.5p) and the interim dividend in respect of this year of 25.5p per share (2008: 25.5p).

Dividend cover for the year was 1.9x adjusted earnings per share* (2008: 2.2x).

Cashflow

Cash generated from operations before taxation was £233.4m, an increase of £40.9m against the same period last year (2008: £192.5m). Favourable working capital movements of £72.4m, most of which are expected to reverse next year and which primarily related to the phasing of debtor and creditor payments in rail, offset other cash outflows of £12.3m which included exceptional cash costs of £10.1m.

Tax paid of £11.4m (2008: £18.1m) was primarily the current portion of the tax charge of £23.7m, of which £8.6m was a non-cash charge relating to the abolition of industrial buildings allowances, less a refund of £5.2m in respect of prior years. Net interest paid of £11.9m (2008: £14.0m) is in line with the charge in the income statement for the period of £11.5m (2008: £13.8m). Capital expenditure, net of sale proceeds, was similar to last year at £56.2m (2008: £54.7m), equivalent to 113% of depreciation (2008: 111%).

Dividends paid to parent company shareholders amounted to £34.8m (2008: £31.4m) and dividends to minority interests were £12.3m (2008: £16.7m). During the period the company has repurchased 13,615 shares at a cost of £0.2m (2008: 3,571,000 shares at a cost of £87.3m) and 50,000 shares were issued (2008: 523,000 shares) on exercise of share options for proceeds of £0.6m (2008: £6.4m).

Balance sheet

Net debt reduced in the year by £106.8m (2008: increase £53.3m) to £91.0m (2008: £197.8m).

Net debt consisted of amounts drawn down against the £340.0m five year syndicated loan facility of £239.0m (2008: £262.0m); other bank loans of £36.0m (2008: £52.8m); hire purchase and lease agreements of £18.1m (2008: £34.3m) and overdrafts of £5.0m (2008: £5.8m), partly offset by cash and short term deposits of £207.1m (2008: £157.1m) which included restricted cash in rail of £181.3m (2008: £122.9m).

Most of the increase in restricted cash reflects the working capital movements in rail which are expected to reverse next year. Adjusted net debt, consisting of net debt excluding restricted cash, was £272.3m (2008: £320.7m), equivalent to 1.57x EBITDA (2008: 1.65x), well within our target range of 1.5x to 2.5x through the cycle.

In addition, amounts provided to the DfT for rail bank guaranteed performance bonds were £131.7m (2008: £96.5m) and season ticket bonds of £110.2m (2008: £97.9m).

The Group had net liabilities of £9.5m, primarily due to the low level of capital employed within the rail operations. The reduction of £77.0m compared to net assets of £67.5m at 28 June 2008 consisted of profit for the period of £18.3m plus proceeds of shares issued of £0.6m and share based payments credits of £0.5m, less: losses on financial instruments of £29.9m net of tax; an increase in pension scheme liabilities of £19.4m net of tax and dividends paid of £47.1m.

Distributable reserves in the parent company used to pay dividends were £443.3m (2008: £446.0m) which is equivalent to 12.8 times the current full year proposed dividend of £34.7m.

Financial outlook

We expect our financial position over the next twelve months to remain strong. The favourable working capital movements in rail are expected to reverse in the year, increasing net debt but reducing restricted cash by a similar amount. Capital investment is expected to increase by around £20m compared to 2009, reflecting the investment in the new Southern franchise. We have recently secured additional three year loan facilities of £30m to refinance payments of medium term debt made last year which will preserve funding headroom under our five year syndicated facility.

Overall, we will maintain our strong financial discipline to deliver shareholder value.

Operating and Financial Review - Bus

The performance of our bus operations was slightly ahead of our expectations, delivering a record operating profit* for the year.

| | 2009 | 2008 |
|------------------------------------------------------|-------|-------|
| Revenue (£'m) | 584.7 | 557.7 |
| Operating profit* (£'m) | 66.6 | 66.2 |
| Margin* | 11.4% | 11.9% |
| | | |
| <i>Revenue growth</i> | | |
| Regulated | 6.1% | 12.4% |
| Deregulated** | 6.4% | 8.2% |
| | | |
| <i>Volume growth</i> | | |
| Regulated - miles operated | 1.8% | 12.7% |
| Deregulated - passenger journeys** | 2.9% | 2.9% |
| | | |
| * Before amortisation and exceptional items | | |
| ** Excludes Go West Midlands (sold in February 2008) | | |

Revenue increased by 4.8%, or £27.0m, to £584.7m (2008: £557.7m, including £7.2m for Go West Midlands sold in February 2008), equivalent to an increase of 6.2% excluding Go West Midlands. Revenue increased in all six operating companies.

Operating profit* was £66.6m, marginally ahead of last year (2008: £66.2m, including a loss of £3.9m for Go West Midlands). Operating profit* margin was 11.4%, 0.5 pts below last year (2008: 11.9%). As expected, this year's operating profit* included additional costs for fuel, pensions and accident claims as well as the year on year benefit from the sale of the loss making Go West Midlands business in February 2008.

Our underlying fuel costs, before delivery and duty, were around £10m higher than the same period last year. We consume around 110 million litres of fuel each year and hedged all of our fuel requirements for the 2009 financial year at 43 pence per litre (ppl) compared with an average price of 34ppl in 2008.

The 2009 financial year also included an additional £2.6m of pension costs and an additional £5.3m charged for accident claim costs compared with last year, despite a reduction in the number of incidents compared to 2008. The increases in claim costs primarily relate to our London and North East operations and we continue to manage these claims closely.

Ongoing cost control remained a priority across our bus operations. Labour accounts for around two thirds of our cost base and is closely controlled through local wage negotiations and ongoing productivity improvements. In addition, we estimate we have saved around £2.5m compared to last year through better procurement, fuel consumption and site energy consumption.

Total depreciation for the division was £31.5m (2008: £30.9m) and capital expenditure was £44.9m (2008: £36.3m). Capital expenditure included £34m on new buses to upgrade vehicles operating on a number of our key revenue generating routes and to maintain the average age of our deregulated fleet as one of the youngest in the sector.

Regulated bus operations

Our regulated bus operations in London continued to perform well. Revenue increased by 6.1% in the period, consisting of an increase in contracted mileage of 1.8%, an average increase in contract prices of approximately 4% and an increase in quality incentive bonuses to £14.2m (2008: £13.7m). We continue to perform well in the TfL quality league tables and operated in excess of 99.6% of our target mileage before traffic congestion losses.

Revenue trends were as expected. The second half growth rate of 3.8% compared to a first half of 8.5% was due to a 2.5% reduction in mileage resulting from a net loss of contracts in the second half. Much of this has been subsequently recovered for the new financial year. Around 85% of our depot capacity in London is owned as freehold which provides a strong base for contract renewals.

During 2009, TfL commenced the decommissioning of articulated "bendy" buses as contracts are renewed. This is expected to reduce residual values and so we will provide for accelerated depreciation of around £4m over the next three years as an exceptional cost, of which £0.8m has been recognised in 2009.

Deregulated bus operations

Revenue growth continued in our deregulated bus operations through a combination of fare increases and growing passenger numbers.

Like for like revenue (excluding Go West Midlands) was up 6.4% and increased in each of our deregulated businesses. The number of passenger journeys was 2.9% above the same period last year, with around two thirds of the increase due to concessionary passengers. Non concessionary passenger numbers increased by 1.2% for the full year.

Revenue growth trends remain robust, with second half growth of 6.2%, broadly similar to first half growth of 6.6%. Passenger numbers in the second half increased by 2.1% compared to a first half rise of 3.6%. The latter reflects the timing of the national concessionary scheme which started on 1 April 2008. The rate of increase in non concessionary passenger numbers accelerated from 0.8% in the first half to 1.6% in the second half.

Outlook

We expect the underlying performance of our bus operations to remain robust for the next financial year.

Revenue growth in both our regulated and deregulated operations is expected to continue, albeit at a slower rate than the last two years. In deregulated, this is primarily because we are past the first anniversary of the national concessionary scheme (introduced on 1 April 2008) and are in a lower inflation environment. In London, we continue to assume that forthcoming contract renewals will be more competitive than when originally negotiated in 2002- 2004 and that quality incentives targets will become increasingly challenging.

Cost control across the division will remain a priority. This includes ongoing wage negotiations and productivity improvements to maintain competitive labour costs (which account for approximately two thirds of our cost base). We have fully hedged our fuel costs for the financial year to June 2010 at 47 ppl and at 41 ppl for the following financial year to June 2011 and are confident we can recover the additional cost of around £4m for the new financial year. We are targeting further progress with energy savings, fuel consumption and procurement initiatives and are not assuming any significant change in pensions or accident claim costs compared to the last financial year.

Overall, we expect performance next year to be a little below the record level achieved this year. The following year (to June 2011) is expected to benefit from a lower cost of fuel and contribution from two acquisitions, namely East Thames Buses from TfL for £5m and Arriva's Horsham bus operations for £5m, both of which are expected to complete in the second quarter of the new financial year.

Operating and Financial Review - Rail

The results from our rail division were in line with our expectations, following a particularly strong performance last year.

| | 2009 | 2008 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------|
| Revenue (£'m) | 1,552.0 | 1,378.4 |
| Operating profit* (£'m) | 61.5 | 77.2 |
| Margin* | 4.0% | 5.6% |
| <i>Passenger income growth</i> | | |
| Southern** | 7.9% | 13.2% |
| Southeastern | 5.5% | 13.0% |
| London Midland*** | 9.1% | n/a |
| <i>Volume growth</i> | | |
| Southern** | 4.4% | 6.7% |
| Southeastern | 1.0% | 6.4% |
| London Midland*** | 3.6% | n/a |
| * Before amortisation and exceptional items ** Growth rates exclude Gatwick Express (became part of Southern on 22 June 2008) ***Growth rates based on comparison with 11 November 2007 to 28 June 2008 (London Midland became part of the Group 11 November 2007) | | |

Revenue trends were in line with our expectations, broadly following macro-economic indicators such as Gross Domestic Product (GDP) and employment levels. Revenue increased by 12.6% or £173.6m, to £1,552.0m (2008: £1,378.4m), primarily due to the addition of the London Midland and Gatwick Express operations and continued growth in like for like passenger revenue in Southern and Southeastern.

Operating profit* fell by 20.3% or £15.7m, to £61.5m (2008: £77.2m). The reduction in operating profit* is partly attributable to around £7m of favourable settlements last year (which were not repeated this year) and to higher costs this year for the Southern franchise bid of £3.5m (2008: £0.3m) and £2m for industrial relations issues in London Midland.

Total depreciation for the rail division was £13.0m (2008: £11.3m) and £0.7m of the increase related to London Midland. Capital expenditure was £12.2m (2008: £9.3m), of which £8.1m (2008: £1.9m) was in London Midland and included investment in gating and car parks to enhance revenue.

Southern

Our Southern franchise performed well, delivering an integrated Gatwick Express service from 22 June 2008, significant timetable changes from December 2008, including new services on the Brighton Main Line, and operational support to the Thameslink programme, whilst maintaining high levels of operational and financial performance.

Our operational performance in Southern remained strong despite adverse weather in February, with a record public performance measure (PPM) showing that 90.7% (2008: 90.0%) of our trains arrived on time. Initial teething difficulties with rolling stock on the Brighton Main Line, which have now been resolved, resulted in a small reduction in our Spring national passenger survey customer satisfaction rating to 80% (2008: 81%).

Total revenue in Southern consisted of passenger revenue of £487.2m (2008: £393.0m), other income of £32.5m (2008: £29.8m) and net subsidy receipts of £82.7m (2008: £134.3m).

The increase in passenger revenue consisted of £63.0m from Gatwick Express and like for like growth in passenger revenue (excluding Gatwick Express) of 7.9%. Like for like passenger numbers increased by 4.4% compared to last year. As previously reported, growth rates slowed in the second half of the year, with like for like passenger revenue growth of 6.0% compared to 11.1% in the first half. Like for like passenger numbers increased by 2.2% in the second half compared to 6.7% in the first half.

As expected, Gatwick Express experienced a reduction in passenger numbers as a result of the fall in air traffic at Gatwick airport. Overall, the Gatwick operations are estimated to have contributed a small operating profit* for the year.

Like for like operating profit* for Southern was slightly below last year, with cost reduction and profit share offsetting the reduction in subsidy and the slowing in the rate of revenue growth. Approximately £21.1m of the reduction in subsidy related to the change in the Network Rail access charge regime from 1 April 2009, with an equal and opposite change in the rail access charges. Other cost reduction measures included energy savings through regenerative braking and the benefits of Group procurement. The profit share arrangements in the current franchise provide the DfT with 60% of any profit increases or decreases.

Southeastern

Our Southeastern franchise has enjoyed a good year, delivering significant timetable changes from December 2008 and providing operational support to the Thameslink programme as well as preparing for the new timetable in December 2009 which will include the UK's first domestic high speed rail service.

Our operational performance in Southeastern remained strong despite adverse weather in February. Our punctuality (PPM) was 90.8% (2008: 91.1%) and the franchise achieved a customer satisfaction rating of 76% in the Spring national passenger survey (2008: 79%).

Total revenue in Southeastern consisted of passenger revenue of £473.6m (2008: £449.1m), other income of £18.7m (2008: £19.1m) and net subsidy receipts of £85.5m (2008: £113.4m).

The increase in full year passenger revenue was 5.5%, consisting of a first half increase of 8.9% and a second half increase of 3.8%. Passenger numbers increased by 1.0% compared to last year, with a first half increase of 4.3% and a second half reduction of 1.7% which was slightly better than the 2% reduction we anticipated. The trends in this franchise reflect the relatively large percentage of London commuters and hence the sensitivity to central London employment. The difference between passenger revenue and passenger numbers reflects the RPI + 3% fare regime in this franchise which continues to 2010 and then reverts to RPI+1% from 2011.

Approximately £21.2m of the reduction in subsidy related to the change in the Network Rail access charge regime from 1 April 2009.

Operating profit* was below the exceptionally strong result for last year but broadly in line with the franchise bid. This was partly achieved through a significant cost savings programme which Southeastern started in the first half of the year, including a reduction of up to 300 positions which incurred an exceptional charge of £1.9m, procurement savings and other efficiency savings which in total are estimated to have saved nearly £10m compared to last year.

London Midland

The second half performance of our London Midland franchise was mixed, with good levels of revenue growth offset by a number of operational issues with the new December 2008 timetable and industrial relations disputes which added around £2m of costs in the period. Despite these issues, we achieved a PPM of 86.7% (2008: 88.6%) and a customer satisfaction rating of 78% (2008: 81%) for the period.

Total revenue in London Midland consisted of passenger revenue of £173.8m (2008: £103.0m), other income of £39.8m (2008: £23.6m) and net subsidy receipts of £158.2m (2008: £113.1m). Comparative figures are from the start of the current franchise on 11 November 2007.

Like for like passenger revenue growth for the period from mid November to end of June was 9.1% and like for like passenger numbers for the same period increased by 3.6%.

The change in the Network Rail access charge regime from 1 April 2009 reduced subsidy payments by approximately £21.2m.

As with Southeastern, we are undertaking a significant amount of restructuring in this franchise and have recently appointed a new managing director to lead these changes. Restructuring costs to date have resulted in a one off exceptional cash charge of £2.8m.

Outlook

The overall outlook for rail for the financial year to June 2010 remains in line with our previously reported expectations. We believe our three franchises are relatively robust given their focus on high density, urban commuter markets. However, we continue to assume that underlying demand (before new services and initiatives) will slow in line with the recent half year trends.

Changes to regulated fares will be based on the July 2009 RPI of -1.4% compared to our previous assumption of -3%. This means regulated fares in January 2010 are expected to reduce by 0.4% in Southern and London Midland and increase by 1.6% in Southeastern.

In combination, we are not expecting underlying passenger revenue growth (before new services and other initiatives) to be significant to June 2010.

In Southern, our existing franchise operates until 20 September 2009. During this period, we expect to maintain earnings at similar levels to the equivalent period last year - in part due to the profit share regime which allocates 60% of any incremental profit or loss to the DfT until the end of the franchise. The new franchise aims to improve the underlying revenue trends by 4-5% to June 2010 through initiatives which were not financially viable under the profit share regime. We are well progressed with mobilisation for the new franchise and with preparation for these initiatives, which include improvements to timetable, revenue protection and train and station investment.

In the first half for Southeastern, we expect benefits from our restructuring programme to offset broadly the adverse trends in passenger revenue growth. Results for the second half will largely depend on the success of the new timetable and high speed rail services from 13 December 2009. To date, the public reaction to the preview of the high speed service has been excellent. The high speed fares will average 20-30% above the current fares. This increase is generally perceived to be reasonable by passengers given the significant reduction in journey times. Whilst difficult to predict, at this stage we are targetting a mid single digit percentage increase in overall passenger revenue growth for the year as a result of the new timetable and services, with revenue support from the DfT available from 1 April 2010 if the revenue growth is below this level.

In London Midland, our new management team will aim to offset the impact of lower revenue growth through operational improvements, restructuring programmes and further investment in revenue enhancement projects including gating and car parking.

Overall, our rail operations should deliver a good level of profitability in the year ahead, albeit below the level achieved to June 2009.

Operating and Financial Review - Aviation Services

The results from the aviation services division were in line with our expectations despite the difficult trading conditions.

| | 2009 | 2008 |
|---------------------------------------------------|---------|-------|
| Revenue (£'m) | 209.4 | 263.0 |
| Operating profit* (£'m) | (4.5) | 1.5 |
| Margin* | (2.1)% | 0.6% |
| <i>Revenue growth</i> | | |
| Ground handling | (15.1)% | 12.7% |
| Cargo | (14.9)% | 4.2% |
| Meteor | (36.0)% | 4.0% |
| <i>Volume growth</i> | | |
| Ground handling – aircraft turnarounds | (14.4)% | 13.4% |
| Cargo – tonnes | (19.0)% | 4.7% |
| Meteor – parking transactions | (11.4)% | 9.7% |
| <i>*Before amortisation and exceptional items</i> | | |

Revenue fell 20.4% or £53.6m to £209.4m (2008: £263.0m) and the operating profit* decreased by £6.0m to an operating loss of £4.5m (2008: profit £1.5m). The operating margin* fell 2.7% from an operating profit margin of 0.6% to a negative margin of 2.1%.

Total depreciation for the division was £5.2m (2008: £6.9m) and capital expenditure was £2.5m (2008: £9.9m).

Ground handling and cargo

Our ground handling and cargo operations achieved revenue of £166.5m (2008: £195.9m) and an operating loss* of £5.2m (2008: loss £0.7m). The second half loss of £2.7m was similar to the loss in the first half of £2.5m and was achieved through cost reduction plans to offset accelerating revenue reduction.

Revenue in ground handling decreased by 15.1% for the full year, consisting of a first half reduction of 12.9% and a second half reduction of 17.3%, reflecting a similar trend in the number of aircraft turnarounds. Around 40% of the full year reduction was due to the closure of our operations in Gatwick at the end of August 2008 and, to a lesser extent, the closure of Leeds Bradford towards the end of the year. The underlying reduction in aircraft turnarounds reflects the broader economic impact on the aviation sector, leading to reduced flight schedules and additional cancellations which reduces our revenue given we are primarily paid on a per turnaround basis.

Revenue reduction in our cargo operations was particularly significant in the second half, with a decrease of 20.5% following a first half reduction of 9.8% to give a full year decrease of 14.9% compared to last year. This was driven by reduced levels of world trade which resulted in a reduction in our cargo volumes of 19.0% for the year. Throughout this period, we have managed to maintain high levels of service quality whilst achieving significant reductions in our cost base.

Around two thirds of our cost base is labour, and we have continued with our restructuring programme, incurring £5.4m (2008: £8.0m) of exceptional costs, which typically pay back through reduced operating costs within twelve months. In addition, in the second half of the year we renewed the Virgin ground handling and cargo contracts for a further five years.

We also recognised a non-cash exceptional impairment charge of £38.4m in the first half, reflecting the difficult trading conditions, to reduce the carrying value of these operations to around £20m.

Meteor

Our Meteor parking and security operations reported revenue of £42.9m, 36.1% or £24.2m below last year (2008: £67.1m) and an operating profit* of £0.7m (2008: £2.2m). The reduction in revenue reflects the expiry of our BAA parking contract at Stansted in September 2008. Operating profit* was down by £1.5m to £0.7m, consisting of a profit of £0.8m in the first half and a second half loss of £0.1m. The second half included start up costs of £0.5m incurred from January to May relating to new parking arrangements at a number of airport hotels.

We have also recognised an exceptional provision of £1.5m for three parking contracts which we consider to be onerous in the current economic climate.

Outlook

Whilst there are some signs that activity levels in ground handling and cargo have stabilised, we will continue with our restructuring plans to protect against near term deterioration in operating results and strengthen our position for the medium term.

As previously reported, in Meteor parking our BAA contract at Heathrow expires in September 2009. We have made a number of changes to our cost base and expect the operating results from Meteor next year to be similar to those achieved to June 2009.

CONSOLIDATED INCOME STATEMENT for the year ended 27 June 2009

| | 2009 £m | 2008 £m |
|--------------------------------------------------------------------|------------|------------|
| Group revenue | 2,346.1 | 2,199.1 |
| Operating costs (excluding amortisation and exceptional items) | (2,222.5) | (2,054.2) |
| Group operating profit (before amortisation and exceptional items) | 123.6 | 144.9 |
| Goodwill and intangible asset amortisation | (12.4) | (11.6) |
| Exceptional items (before taxation) | (57.7) | (16.4) |
| Group operating profit (after amortisation and exceptional items) | 53.5 | 116.9 |
| Finance revenue | 6.1 | 8.8 |
| Finance costs | (17.6) | (22.6) |
| Profit on ordinary activities before taxation | 42.0 | 103.1 |
| Analysed as: | | |
| Before amortisation and exceptional items | 112.1 | 131.1 |
| Amortisation and exceptional items | (70.1) | (28.0) |
| Tax expense | (23.7) | (26.3) |
| Analysed as: | | |
| Tax charges | (26.6) | (29.1) |
| Exceptional tax – changes in tax laws | (8.6) | – |
| Tax on exceptional items | 11.5 | 2.8 |
| Profit for the year from continuing operations | 18.3 | 76.8 |
| Attributable to: | | |
| Equity holders of the parent | 6.3 | 56.0 |
| Minority interest | 12.0 | 20.8 |
| | 18.3 | 76.8 |
| Earnings per share from continuing operations | | |
| – basic | 14.7p | 128.8p |
| – diluted | 14.7p | 127.3p |
| – adjusted | 152.3p | 174.8p |
| Dividends paid (pence per share) | 81.0p | 72.5p |
| Final dividend proposed (pence per share) | 55.5p | 55.5p |

CONSOLIDATED BALANCE SHEET
as at 27 June 2009

| | 2009 £m | 2008 £m |
|---------------------------------------|----------------|----------------|
| Assets | | |
| Non-current assets | | |
| Property, plant and equipment | 409.9 | 426.6 |
| Intangible assets | 110.3 | 136.2 |
| Trade and other receivables | 3.1 | 1.5 |
| Other financial assets | 3.1 | 8.7 |
| Deferred tax assets | 23.4 | 17.2 |
| | 549.8 | 590.2 |
| Current assets | | |
| Inventories | 13.1 | 12.0 |
| Trade and other receivables | 199.2 | 238.2 |
| Cash and short term deposits | 207.1 | 157.1 |
| Other financial assets | 0.6 | 18.6 |
| | 420.0 | 425.9 |
| Assets classified as held for sale | 9.7 | 2.6 |
| Total assets | 979.5 | 1,018.7 |
| Liabilities | | |
| Current liabilities | | |
| Trade and other payables | (485.7) | (444.0) |
| Other financial liabilities | (16.4) | – |
| Interest-bearing loans and borrowings | (30.4) | (38.6) |
| Current tax liabilities | (14.9) | (6.0) |
| | (547.4) | (488.6) |
| Non-current liabilities | | |
| Interest-bearing loans and borrowings | (266.5) | (314.6) |
| Retirement benefit obligations | (83.5) | (59.4) |
| Other financial liabilities | (8.5) | – |
| Deferred tax liabilities | (68.4) | (77.9) |
| Other liabilities | (8.9) | (9.8) |
| Provisions | (5.8) | (0.9) |
| | (441.6) | (462.6) |
| Total liabilities | (989.0) | (951.2) |
| Net (liabilities)/assets | (9.5) | 67.5 |
| Capital & reserves | | |
| Share capital | 71.9 | 71.3 |
| Reserve for own shares | (68.8) | (68.8) |
| Hedging reserve | (10.5) | 17.5 |
| Other reserve | 1.6 | 1.6 |
| Capital redemption reserve | 0.7 | 0.7 |
| Retained earnings | (14.0) | 31.9 |
| Total shareholders' equity | (19.1) | 54.2 |
| Minority interest | 9.6 | 13.3 |
| Total equity | (9.5) | 67.5 |

CONSOLIDATED CASHFLOW STATEMENT

for the year ended 27 June 2009

| | 2009 £m | 2008 £m |
|----------------------------------------------------------------------------------------------|----------------|---------------|
| Profit for the year | 18.3 | 76.8 |
| Net finance costs | 11.5 | 13.8 |
| Tax expense | 23.7 | 26.3 |
| Depreciation of property, plant and equipment | 49.7 | 49.1 |
| Exceptional depreciation | 0.8 | – |
| Amortisation of goodwill and intangible assets | 12.4 | 11.6 |
| Other non-cash exceptional items | 46.8 | 3.8 |
| (Profit)/loss on sale of property, plant and equipment | (0.3) | 1.7 |
| Share based payments | 0.7 | 2.5 |
| Loss on sale of subsidiary | – | 1.8 |
| Difference between pension contributions paid and amounts recognised in the income statement | (2.8) | (16.8) |
| Movement in provisions | 3.4 | (0.4) |
| Purchase of assets held for disposal | (7.5) | – |
| (Increase)/decrease in inventories | (1.1) | 1.3 |
| Decrease/(increase) in trade and other receivables | 36.1 | (45.4) |
| Increase in trade and other payables | 41.7 | 66.4 |
| Cashflow generated from operations | 233.4 | 192.5 |
| Taxation paid | (11.4) | (18.1) |
| Net cashflows from operating activities | 222.0 | 174.4 |
| Cashflows from investing activities | | |
| Interest received | 6.6 | 8.5 |
| Proceeds from sale of property, plant and equipment | 4.3 | 6.2 |
| Purchase of property, plant and equipment | (57.7) | (55.5) |
| Purchase of intangible assets | (2.8) | (5.4) |
| Purchase of subsidiaries | – | (5.5) |
| Proceeds from sale of subsidiaries | – | 2.0 |
| Net receipt on transfer of rail franchises | – | 4.9 |
| Additional contribution to railways pension scheme | – | (10.4) |
| Deposit paid on rolling stock | (0.4) | (21.2) |
| Net cashflows used in investing activities | (50.0) | (76.4) |
| Cashflows from financing activities | | |
| Interest paid | (18.5) | (22.5) |
| Dividends paid to members of the parent | (34.8) | (31.4) |
| Dividends paid to minority interests | (12.3) | (16.7) |
| Proceeds from issue of shares | 0.6 | 6.4 |
| Payment to acquire own shares | (0.2) | (87.3) |
| Repayment of borrowings | (39.8) | (259.0) |
| Proceeds from borrowings | – | 351.2 |
| Proceeds from finance lease and hire purchase | – | 4.5 |
| Payment of finance lease and hire purchase liabilities | (16.2) | (20.1) |
| Repayment of loan notes | – | (0.4) |
| Net cash outflows on financing activities | (121.2) | (75.3) |
| Net increase in cash and cash equivalents | 50.8 | 22.7 |
| Cash and cash equivalents at 28 June 2008 | 151.3 | 128.6 |
| Cash and cash equivalents at 27 June 2009 | 202.1 | 151.3 |

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE
for the year ended 27 June 2009

| | 2009 £m | 2008 £m |
|-------------------------------------------------------------------------------|------------|------------|
| Income and expense recognised directly in equity | | |
| Actuarial losses on defined benefit pension plans | (26.9) | (44.6) |
| Unrealised (losses)/gains on cashflow hedges | (54.2) | 33.3 |
| Losses/(gains) on cashflow hedges taken to income statement – operating costs | 12.6 | (6.7) |
| Tax recognised directly in equity | 19.2 | 5.1 |
| Net expense /(income) recognised directly in equity | (49.3) | (12.9) |
| Profit for the year | 18.3 | 76.8 |
| Total recognised income and expense for the year | (31.0) | 63.9 |
| Attributable to: | | |
| Equity holders of the parent | (39.6) | 39.5 |
| Minority interest | 8.6 | 24.4 |
| | (31.0) | 63.9 |

NOTES TO THE PRELIMINARY ANNOUNCEMENT
for the year ended 27 June 2009

1. ACCOUNTING POLICIES

The accounting policies used in the preparation of these results are consistent with those used in the 2009 Annual Report.

2. SEGMENTAL ANALYSIS

The Group's primary reporting format is business segments and its secondary format is geographical segments. The operating businesses are organised and managed separately according to the nature of the services provided, with each segment representing a strategic business unit that offers different products and serves different markets, as detailed in the Directors' Report.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. The Group has only one reportable geographical segment, being the UK.

Business segments

The following tables present revenue and profit information and certain asset and liability information regarding the Group's business segments for the years ended 27 June 2009 and 28 June 2008.

Year ended 27 June 2009

| | Bus £m | Rail £m | Aviation services £m | Unallocated £m | Total £m |
|--------------------------------------------------------------------|-----------|------------|----------------------------|-------------------|-------------|
| Segment revenue | 606.7 | 1,557.5 | 213.7 | | 2,377.9 |
| Inter-segment revenue | (22.0) | (5.5) | (4.3) | | (31.8) |
| Group revenue | 584.7 | 1,552.0 | 209.4 | | 2,346.1 |
| Operating costs (excluding amortisation and exceptional items) | (518.1) | (1,490.5) | (213.9) | | (2,222.5) |
| Group operating profit (before amortisation and exceptional items) | 66.6 | 61.5 | (4.5) | | 123.6 |
| Goodwill and intangible amortisation | (1.9) | (10.0) | (0.5) | | (12.4) |
| Exceptional items | (7.8) | (4.7) | (45.2) | | (57.7) |
| Segment result | 56.9 | 46.8 | (50.2) | | 53.5 |
| Net finance costs | | | | | (11.5) |
| Profit before tax and minority interest | | | | | 42.0 |
| Tax expense | | | | | (23.7) |
| Profit for the year | | | | | 18.3 |

Assets and liabilities

| | | | | | |
|------------------------------------|---------|---------|--------|---------|---------|
| Segment assets | 470.4 | 394.6 | 70.6 | 34.2 | 969.8 |
| Assets classified as held for sale | 9.7 | – | – | – | 9.7 |
| Total assets | 480.1 | 394.6 | 70.6 | 34.2 | 979.5 |
| Segment liabilities | (135.4) | (384.6) | (37.5) | (431.5) | (989.0) |
| Net assets/(liabilities) | 344.7 | 10.0 | 33.1 | (397.3) | (9.5) |

Other segment information

| | Bus £m | Rail £m | Aviation services £m | Total £m |
|---------------------------------|-----------|------------|----------------------------|-------------|
| Capital expenditure: | | | | |
| Additions | 44.9 | 12.2 | 2.5 | 59.6 |
| Acquisitions | – | – | – | – |
| Intangible fixed assets | 0.9 | 1.6 | 0.3 | 2.8 |
| Depreciation | 31.5 | 13.0 | 5.2 | 49.7 |
| Impairment charges | – | – | 38.4 | 38.4 |
| Provision for onerous contracts | – | – | 1.5 | 1.5 |
| Fuel hedge | 6.9 | – | – | 6.9 |
| Exceptional depreciation | 0.8 | – | – | 0.8 |

Year ended 28 June 2008

| | Bus £m | Rail £m | Aviation services £m | Unallocated £m | Total £m |
|--------------------------------------------------------------------|-----------|------------|----------------------------|-------------------|-------------|
| Segment revenue | 578.5 | 1,381.4 | 267.0 | | 2,226.9 |
| Inter-segment revenue | (20.8) | (3.0) | (4.0) | | (27.8) |
| Group revenue | 557.7 | 1,378.4 | 263.0 | | 2,199.1 |
| Operating costs (excluding amortisation and exceptional items) | (491.5) | (1,301.2) | (261.5) | | (2,054.2) |
| Group operating profit (before amortisation and exceptional items) | 66.2 | 77.2 | 1.5 | | 144.9 |
| Goodwill and intangible amortisation | (1.9) | (9.3) | (0.4) | | (11.6) |
| Exceptional items | (8.4) | – | (8.0) | | (16.4) |
| Segment result | 55.9 | 67.9 | (6.9) | | 116.9 |
| Net finance costs | | | | | (13.8) |
| Profit before tax and minority interest | | | | | 103.1 |
| Tax expense | | | | | (26.3) |
| Profit for the year | | | | | 76.8 |

Assets and liabilities

| | | | | | |
|------------------------------------|--------|---------|--------|---------|---------|
| Segment assets | 479.0 | 376.8 | 129.3 | 31.0 | 1,016.1 |
| Assets classified as held for sale | 2.6 | – | – | – | 2.6 |
| Total assets | 481.6 | 376.8 | 129.3 | 31.0 | 1,018.7 |
| Segment liabilities | (92.3) | (333.1) | (44.3) | (481.5) | (951.2) |
| Net assets/(liabilities) | 389.3 | 43.7 | 85.0 | (450.5) | 67.5 |

| | Bus £m | Rail £m | Aviation services £m | Total £m | |
|----------------------------------------------------|-----------|------------|----------------------------|-------------|------|
| Other segment information | | | | | |
| Capital expenditure: | | | | | |
| Additions | | 36.3 | 9.3 | 9.9 | 55.5 |
| Acquisitions | | 3.5 | 4.6 | – | 8.1 |
| Intangible fixed assets | | 2.0 | 3.4 | – | 5.4 |
| Depreciation | | 30.9 | 11.3 | 6.9 | 49.1 |
| Impairment of intangible and tangible fixed assets | | 3.8 | – | – | 3.8 |

Summary of unallocated assets and liabilities

| | 2009 £m | 2008 £m |
|------------------------------------------------------------------------|------------|------------|
| Assets | | |
| Cash | 10.8 | 13.8 |
| Deferred tax assets | 23.4 | 17.2 |
| | 34.2 | 31.0 |
| Liabilities | | |
| Interest-bearing loans and borrowings | 291.9 | 347.4 |
| Overdraft | – | 5.8 |
| Current tax liabilities | 14.9 | 6.0 |
| Deferred tax liabilities | 68.4 | 77.9 |
| Group retirement benefit obligations – The Go-Ahead Group Pension Plan | 56.3 | 44.4 |
| Other liabilities | – | – |
| | 431.5 | 481.5 |

3. EXCEPTIONAL ITEMS

| | 2009 £m | 2008 £m |
|---------------------------------------------|------------|------------|
| Non-cash exceptional items | | |
| Impairment charges | (38.4) | (3.8) |
| Fuel hedge | (6.9) | – |
| Accelerated depreciation charge | (0.8) | – |
| Provision for onerous contracts | (1.5) | – |
| | (47.6) | (3.8) |
| Cash based exceptional items | | |
| Redundancy and reorganisation costs | (10.1) | (8.0) |
| Cashflows from loss on disposal of business | – | (4.6) |
| | (10.1) | (12.6) |
| Total exceptional items | (57.7) | (16.4) |

2009

The exceptional items were significant in the year, totalling £57.7m before taxation, of which £49.8m was recognised in the first half. Most of the items were non-cash, with cash items totalling £10.1m

The largest item was a first half, non-cash impairment charge of £38.4m reflecting the challenging conditions in aviation service division. This reduced the carrying value of the ground handling and cargo operations within the aviation services division to approximately £20.0m at December 2008 and remains appropriate at the year end.

Non-cash exceptional items also included £6.9m relating to the fair value of part of the current year bus fuel hedge (designated as ineffective under IAS 39), £0.8m in respect of accelerated depreciation on articulated buses in London with a further exceptional charge of around £3.0m expected over the next two years, and £1.5m of provision for onerous contracts in our Meteor parking operations.

Exceptional cash costs totalled £10.1m, consisting of restructuring and reorganisation costs of £5.4m in the aviation services division and £4.7m in the rail division.

These costs have been included due to their relative size and management's anticipation of their non-recurring nature.

2008

The impairment charges and loss on sale of business related to the sale of The Birmingham Omnibus Company Ltd (formerly known as Go West Midlands and The Birmingham Coach Company Limited) on 29 February 2008.

The redundancy and reorganisation costs related to the closure and restructuring of a number of our operations within our aviation services division.

4. TAXATION

a. Tax recognised in the income statement and in equity

| | 2009 £m | 2008 £m |
|------------------------------------------------------------------------------------------------|------------|------------|
| Current tax charge | 24.2 | 16.8 |
| Adjustments in respect of current tax of previous years | 0.1 | (3.1) |
| | 24.3 | 13.7 |
| Deferred tax relating to origination and reversal of temporary differences | (8.7) | 9.6 |
| Previously unrecognised deferred tax of a prior period | (0.5) | 3.0 |
| Tax reported in consolidated income statement (before exceptional tax – changes in tax laws) | 15.1 | 26.3 |
| Previously unrecognised deferred tax of a prior period (exceptional tax – changes in tax laws) | 8.6 | – |
| Tax reported in consolidated income statement (after exceptional tax – changes in tax laws) | 23.7 | 26.3 |

The effect of changes in tax laws relate to the abolition of industrial buildings allowances.

Tax relating to items charged or credited to equity

| | 2009 £m | 2008 £m |
|----------------------------------------------------------|------------|------------|
| Corporation tax on share based payments | (0.1) | (0.7) |
| Deferred tax on share based payments | – | 2.3 |
| Tax on actuarial losses on defined benefit pension plans | (7.6) | (12.5) |
| Tax on IAS 39 (liability)/asset | (11.6) | 7.4 |
| Tax reported in equity | (19.3) | (3.5) |

b. Reconciliation

A reconciliation of income tax applicable to accounting profit before tax and exceptional items at the statutory tax rate to tax at the Group's effective tax rate for the years ended 27 June 2009 and 28 June 2008 is as follows:

| | 2009 £m | 2008 £m |
|------------------------------------------------------------------------------------------------|------------|------------|
| Profit on ordinary activities before taxation and exceptional items | 99.7 | 119.5 |
| Exceptional items | (57.7) | (16.4) |
| Profit on ordinary activities before taxation | 42.0 | 103.1 |
| At United Kingdom tax rate of 28% (2008: 29.5%) | 11.8 | 30.4 |
| Adjustments in respect of current tax of previous years | 0.1 | (3.1) |
| Previously unrecognised deferred tax of a prior period | (0.5) | 3.0 |
| Previously unrecognised deferred tax of a prior period – exceptional tax – changes in tax laws | 8.6 | – |
| Expenditure not allowable for tax purposes | 1.8 | 2.5 |
| Goodwill amortisation and impairment charges | 5.2 | 1.4 |
| Differences relating to tax efficient financing | (3.3) | (7.4) |
| Rate change due to timing differences 29.5% to 28% | – | (0.5) |
| Tax reported in consolidated income statement at effective tax rate of 56.4% (2008: 25.5%) | 23.7 | 26.3 |
| Exceptional tax – changes in tax laws | (8.6) | – |
| Tax on exceptional items | 11.5 | 2.8 |
| Effective tax charges | 26.6 | 29.1 |
| Effective tax rate | 26.7% | 24.4% |

5. EARNINGS PER SHARE

Basic earnings per share

| | 2009 | 2008 |
|--------------------------------------------------------------|--------|--------|
| Net profit attributable to equity holders of the parent (£m) | 6.3 | 56.0 |
| Weighted average number of shares in issue (000) | 42,934 | 43,481 |
| Basic earnings per share (pence per share) | 14.7 | 128.8 |

The weighted average number of shares in issue excludes treasury shares held by the Company, and shares held in trust for the Directors' LTIP.

Diluted earnings per share

| | 2009 | 2008 |
|---------------------------------------------------------------------|--------|--------|
| Net profit attributable to equity holders of the parent (£m) | 6.3 | 56.0 |
| Weighted average number of shares in issue (000) | 42,934 | 43,481 |
| Effect of dilution: | | |
| Dilutive potential ordinary shares under share option schemes (000) | – | 505 |
| Adjusted weighted average number of shares (000) | 42,934 | 43,986 |
| Diluted earnings per share (pence per share) | 14.7 | 127.3 |

The dilution calculation assumes conversion of all potentially dilutive ordinary shares.

Adjusted earnings per share

Adjusted earnings per share is also presented to eliminate the impact of goodwill and intangible amortisation and exceptional costs and revenues in order to show a 'normalised' earnings per share. This is analysed as follows:

| | Profit for the year £m | Exceptional items £m | Amortisation £m | 2009 Total £m |
|--------------------------------------------------------------|------------------------------|----------------------------|--------------------|---------------------|
| Profit before taxation | 42.0 | 57.7 | 12.4 | 112.1 |
| Less: Taxation | (23.7) | (2.9) | (2.8) | (29.4) |
| Less: Minority Interest | (12.0) | (2.6) | (2.7) | (17.3) |
| Adjusted profit attributable to equity holders of the parent | 6.3 | 52.2 | 6.9 | 65.4 |
| Adjusted earnings per share (pence per share) | | | | 152.3 |

| | Profit for the year £m | Exceptional items £m | Amortisation £m | 2008 Total £m |
|--------------------------------------------------------------|------------------------------|----------------------------|--------------------|---------------------|
| Profit before taxation | 103.1 | 16.4 | 11.6 | 131.1 |
| Less: Taxation | (26.3) | (2.8) | (2.7) | (31.8) |
| Less: Minority Interest | (20.8) | – | (2.5) | (23.3) |
| Adjusted profit attributable to equity holders of the parent | 56.0 | 13.6 | 6.4 | 76.0 |
| Adjusted earnings per share (pence per share) | | | | 174.8 |

6. DIVIDENDS PAID AND PROPOSED

| | 2009 £m | 2008 £m |
|----------------------------------------------------------------------------|-------------|-------------|
| Declared and paid during the year | | |
| Equity dividends on ordinary shares: | | |
| Final dividend for 2008: 55.5p per share (2007: 47p) | 23.8 | 20.5 |
| Interim dividend for 2009: 25.5p per share (2008: 25.5p) | 11.0 | 10.9 |
| | 34.8 | 31.4 |
| | | |
| | 2009 £m | 2008 £m |
| Proposed for approval at AGM (not recognised as a liability as at 27 June) | | |
| Equity dividends on ordinary shares: | | |
| Final dividend for 2009: 55.5p per share (2008: 55.5p) | 23.9 | 23.2 |

7. SUMMARY OF NET DEBT AND BONDS

Net Debt

Our net debt position comprises cash, short term deposits, interest-bearing loans and borrowings, and can be summarised as:

| | 2009 £m | 2008 £m |
|----------------------------------|--------------|--------------|
| Syndicated loans | 239.0 | 262.0 |
| Medium term loans | 36.0 | 52.8 |
| Finance lease and HP commitments | 18.1 | 34.3 |
| Overdrafts | 5.0 | 5.8 |
| | 298.1 | 354.9 |
| | | |
| Cash and short term deposits | (207.1) | (157.1) |
| Net debt | 91.0 | 197.8 |

Performance bonds

The Group has provided bank guaranteed performance bonds of £131.7m (2008: £96.5m), and season ticket bonds of £110.2m (2008: £97.9m) to the DfT in support of the Group's rail franchise operations.

To support subsidiary companies in their normal course of business, the Group has indemnified certain banks and insurance companies who have issued certain performance bonds and letters of credit. The letter of credit at 27 June 2009 is £35.0m (2008: £35.0m).

8. PENSIONS

Retirement benefit obligations consist of the following:

| | 2009 £m | 2008 £m |
|-------------------------------------|------------|------------|
| Non-rail pension scheme liabilities | (76.0) | (59.4) |
| Rail pension scheme liabilities | (7.5) | – |
| Pre-tax pension liabilities | (83.5) | (59.4) |
| Deferred tax asset | 23.4 | 16.6 |
| Post tax pension scheme liabilities | (60.1) | (42.8) |

Summary of year end assumptions

| | 2009 % | 2008 % |
|---------------------------------------------------------------|-----------|-----------|
| Price inflation | 3.4 | 3.8 |
| Discount rate | 6.3 | 6.2 |
| Rate of increase in salaries | 4.4 | 5.3 |
| Rate of increase of pensions in payment and deferred pension* | 3.4 | 3.8 |

* in excess of any Guaranteed Minimum Pension (GMP) element.

The discount rate is based on the anticipated return of AA rated corporate bonds with a term matching the maturity of the scheme liabilities.

The most significant non-financial assumption is the assumed rate of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of a male member of each pension scheme at age 65.

| | 2009 Years | Rail 2008 Years | 2009 Years | Non-rail 2008 Years |
|---------------|---------------|-----------------------|---------------|---------------------------|
| Pensioner | 20 | 20 | 19 | 18 |
| Non-Pensioner | 22 | 22 | 20 | 19 |

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes (i.e. equities and bonds). The expected return for each asset class reflects a combination of historical performance analysis, the forward looking views of the financial markets (suggested by the yields available), and the views of investment organisations.

Sensitivity analysis

In making the valuation, the above assumptions have been used. The following is an approximate sensitivity analysis of the impact of the change in the key assumptions. In isolation the following adjustments would adjust the pension deficit and cost as shown.

| | Pension deficit £m | Non-rail 2010 Pension cost £m |
|-----------------------------------------------------------------------|-----------------------|----------------------------------------|
| Discount Factor – increase of 0.1% | (7.6) | (0.2) |
| Price Inflation – increase of 0.1% | 6.8 | 0.7 |
| Rate if increase in salaries – increase of 0.1% | 1.6 | 0.2 |
| Rate of increase of pensions in payment – increase of 0.1% | 4.3 | 0.3 |
| Increase in life expectancy of pensioners or non-pensioners by 1 year | 13.4 | 1.2 |

Category of assets at the year end

| | £m | 2009 % | £m | 2008 % |
|----------|-------|-----------|-------|-----------|
| Rail | | | | |
| Equities | 447.5 | 63.4 | 553.1 | 63.6 |
| Bonds | 71.3 | 10.1 | 87.8 | 10.1 |
| Property | 110.1 | 15.6 | 130.5 | 15.0 |
| Cash | 76.9 | 10.9 | 98.3 | 11.3 |
| | 705.8 | 100.0 | 869.7 | 100.0 |

| | £m | 2009 % | £m | 2008 % |
|----------|-------|-----------|-------|-----------|
| Non-rail | | | | |
| Equities | 166.5 | 47.2 | 177.8 | 47.2 |
| Bonds | 162.9 | 46.2 | 170.7 | 45.3 |
| Property | 17.6 | 5.0 | 21.9 | 5.8 |
| Cash | 5.7 | 1.6 | 6.4 | 1.7 |
| | 352.7 | 100.0 | 376.8 | 100.0 |

The weighted average expected long term rates of return were:

| | 2009 % p.a. | Rail 2008 % p.a. | 2009 % p.a. | Non-rail 2008 % p.a. |
|---------------------------------|----------------|------------------------|----------------|----------------------------|
| Weighted average rate of return | 8.1 | 8.0 | 7.8 | 7.9 |

Funding position of the Group's pension arrangements

| | 2009 £m | Rail 2008 £m | 2009 £m | Non-rail 2008 £m |
|-------------------------------------|------------|--------------------|------------|------------------------|
| Employer's share of pension scheme: | | | | |
| Liabilities at the end of the year | (937.1) | (1,026.5) | (428.7) | (436.2) |
| Assets at fair value | 705.8 | 869.7 | 352.7 | 376.8 |
| Gross deficit | (231.3) | (156.8) | (76.0) | (59.4) |
| Franchise adjustment | 223.8 | 156.8 | – | – |
| Pension scheme liability | (7.5) | – | (76.0) | (59.4) |

Pension cost for the financial year

| | 2009 £m | Rail 2008 £m | 2009 £m | Non-rail 2008 £m |
|-----------------------------------|------------|--------------------|------------|------------------------|
| Service cost | 41.6 | 31.5 | 6.1 | 6.7 |
| Interest cost on liabilities | 42.8 | 30.4 | 26.8 | 23.8 |
| Expected return on assets | (42.0) | (37.8) | (29.4) | (29.7) |
| Interest on franchise adjustments | (9.8) | – | – | – |
| Pension cost | 32.6 | 24.1 | 3.5 | 0.8 |

9. PRINCIPAL RISKS AND UNCERTAINTIES

The below table summarises our assessment of the key risks and uncertainties that could impact the Group's performance. These risks are monitored on an ongoing basis through the Group's risk management processes, together with the effectiveness of mitigation through the internal control environment. Material residual risk is assessed by the Board and accepted if appropriate as an integral part of the risk and reward of the business, or deemed unacceptable and therefore either reduced, transferred to third parties or avoided by no longer pursuing the relevant activity. The matters described are not intended to be an exhaustive list of all possible risks and uncertainties.

| | <i>Risk description</i> | <i>Potential impact on KPIs</i> | <i>Mitigation</i> |
|-------|---------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Group | Major accident or incident (including terrorism or disease such as swine flu) | Potential for serious injury, service disruption and lost earnings | <ul style="list-style-type: none"> • Rigorous high profile safety programme throughout the Group • Comprehensive insurance cover • Appropriate contingency plans |
| | Inappropriate strategy or investment | Reduction in economic and shareholder value | <ul style="list-style-type: none"> • Comprehensive strategic discussions with main board and advisers • Extensive valuation and due diligence, supported by external expertise • Discipline to "walk away" from opportunities • Value adding investments are required to return in excess of the Group's post tax weighted average cost of capital |
| | Financial market instability | Loss of access to funds, loss of investments, interest rate exposure | <ul style="list-style-type: none"> • Formally approved and regularly reviewed treasury policy in place • Three year cashflow and covenant forecasts • Five year financing secured to 2012 • Comprehensive, low risk cash investment policy • Over 50% of net debt held at fixed interest rates |
| | Reduction in earnings due to "excessive" wage settlements | A 1% increase in staff costs and salaries across the Group would increase costs by £8.7m | <ul style="list-style-type: none"> • Experienced approach to wage negotiations and fostering of good relationships with employees and unions at operating company level |
| | Political or budgetary changes | Changes to the regulatory environment or financial support from the government could impact the Group's prospects | <ul style="list-style-type: none"> • Closely monitor relevant proposals for change in the regulatory environment • Actively participate in industry, trade and government forums |
| | Increased pension scheme contributions required | Adverse cashflow impact | <ul style="list-style-type: none"> • Railway pension schemes and obligations cease at end of franchise • Non-rail defined benefit schemes closed to new entrants • Asset allocations de-risked. |
| Bus | Bus fuel prices increase | An increase of ten pence per litre increases the cost of fuel by approximately £11m | <ul style="list-style-type: none"> • Rolling fuel hedging programme • Fuel fully hedged for next two years |
| | Concessionary fare schemes do not provide an adequate economic return | Concessionary fares accounted for around 20% of the current year's deregulated bus revenue | <ul style="list-style-type: none"> • Two thirds of our schemes have been successfully agreed with local authorities for 2008/09 • Discussions are continuing with the remaining schemes |
| | Economic downturn reduces demand for bus services | A 1% loss of revenue results in a reduction in operating profit of approximately £0.5m, assuming all costs are variable | <ul style="list-style-type: none"> • Improved revenue forecasting • Management action plans to reduce costs in the event of a downturn |
| | London bus contracts not renewed | Adverse earnings impact | <ul style="list-style-type: none"> • Well located depots, 85% capacity freehold • Strong reputation for quality and cost control |
| Rail | Earnings volatility impacts Group's financial strength | Rail represents half of the Group's current year operating profit* | <ul style="list-style-type: none"> • All rail operations held through Govia, which is 65% owned by Go-Ahead and 35% by Keolis |
| | Economic downturn reduces demand for rail services | A 1% loss of revenue results in a reduction in operating profit of approximately £11m, assuming all costs are fixed | <ul style="list-style-type: none"> • Improved revenue forecasting • Management action plans to reduce costs in the event of a downturn • DfT revenue support from 1 April 2010 in Southeastern |
| | New Southeastern timetable (including high speed) from Dec 09 does not meet bid assumptions | Each 1% of revenue growth not achieved is approximately £5m of operating profit* assuming all costs are fixed | <ul style="list-style-type: none"> • Strong and experienced team assembled to deliver the new timetable • DfT revenue support from 1 April 2010 in Southeastern |
| | Profit improvement plans in Southern franchise bid not delivered | Each 1% of revenue growth not achieved is approximately £5m of operating profit*, assuming all costs are fixed | <ul style="list-style-type: none"> • Strong and experienced team assembled to deliver the new Southern franchise • Comprehensive tracking of delivery |
| 9 | Cyclical downturn in | Reduced earnings due to | <ul style="list-style-type: none"> • Significant restructuring to reduce the cost base of the operations |

| | | | |
|--|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| | aviation sector | lower number of aircraft turnarounds and cargo volume, and pressure on prices from airlines | • Strategic review of options |
| | Loss of key aviation services contracts | A significant amount of revenue is held through contracts which may be terminated with less than 90 days notice | • Maintain high quality of service and competitive cost base |

* before amortisation and exceptional items

10. DIRECTORS' RESPONSIBILITIES

The Board of Directors, who are listed on page 42 of the Annual Report, along with their roles and responsibilities, confirm that to the best of their knowledge:

- the financial statements, prepared in accordance with IFRSs as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the Company and the undertakings included in the consolidation taken as a whole; and
- the Directors' Report: Business Review includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

11. RELATED PARTY TRANSACTIONS

Transactions with other related parties

The Group meets certain costs of administering the Group's retirement benefit plans, including the provision of meeting space and office support functions to the trustees. Costs borne on behalf of the retirement benefit plans amounted to £0.3m (2008: £0.3m).

12. STATUTORY ACCOUNTS

The Board approved the preliminary statement covering the year ended 27 June 2009 on 3 September 2009. The financial information set out above does not constitute the Group's statutory accounts for the years ended 27 June 2009 or 28 June 2008. The financial information is derived from the Group financial statements for the year ended 27 June 2009. The Group financial statements on which the auditors have given an unqualified audit report does not contain a statement under section 498(2) or (3) of the Companies Act 2006. The financial statements for the year ended 27 June 2009 will be sent to the shareholders and delivered to the Registrar of Companies in due course. They will also be available at the registered office of the company, 3rd Floor, 41-51 Grey Street, Newcastle upon Tyne, NE1 6EE during normal business hours or on the company's website, www.go-ahead.com.