



Protect and grow the core

We're focused on protecting and growing our core business. In bus we've got a resilient business model equipped for economic uncertainty and in rail we're bidding with financial discipline, considering each potential franchise bid on its own specific merits.

Regional bus

Throughout the year we invested £41.1m on new buses and a further £6.8m making improvements to our bus services. This included new technology, improving passenger information and multi payment options, to make our services easier and more convenient to use.

We have also improved accessibility across all our services by rolling out the Helping Hand card. The introduction of lean thinking also enabled us to be more efficient with Go North East furthest advanced in implementing this in its engineering activities.

70%

buses with contactless technology



London bus

Working in partnership with TfL and strengthening our service control capabilities, we have continued to improve our operational procedures and performance for our customers, resulting in higher QIC bonuses for service quality.

We run the UK's only all electric bus depot and will shortly be trialling the first tri-axle double decker bus in London, providing capacity for 130 passengers.

12.5%

punctuality improvement



Rail

This year, we have remained focused on developing and improving our customer offering, with the introduction of new trains, additional capacity and real time information. We introduced a new smartcard, KeyGo, and DelayRepay15 passenger compensation scheme.

We also accelerated our business efficiency programme at Southeastern to improve financial performance whilst retaining our customer focus.

534 million

annual rail passenger journeys



Sustainable business

Not only do we strive to be a good transport operator, we also aim to be a responsible business, by supporting the UK economy, embracing local and national environmental initiatives, being a fair employer and being open and transparent about our business activities and finances.

Our credentials include:



Acquisitions

We continue to look for opportunities to grow our business organically and through bolt-on acquisitions.

During the year we acquired two regional bus businesses, a sightseeing company in Oxford and East Yorkshire Motor Services, headquartered in Hull, which will deliver cost synergies and drive revenue in the long term through the expertise of our local teams.



UK bus operator of the year

Our continual efforts to be the UK's leading transport provider have not gone unrecognised.

Go-Ahead bus company Go South Coast was awarded the UK Bus Operator of the Year at the UK Bus Awards 2017 with Brighton & Hove Buses, another of Go-Ahead's businesses, taking second place.

In March, Go-Ahead London was named Bus Operator of the Year at the London Transport Awards.





Win new bus and rail contracts

We continue to pursue value adding opportunities in current and new international markets, where there is a strong pipeline of bid opportunities in both bus and rail. We are currently exploring opportunities in a number of markets in line with our strategy, risk appetite and financial discipline.



International development

In September 2016, we began operating a bus contract in the Loyang district of Singapore and we now run over 400 buses on 27 routes.

In August 2017, the Group was awarded its first Irish bus contract in the outer Dublin metropolitan area and won our second bus contract in March 2018, taking the total number of routes operated by Go-Ahead in Dublin to 30.

Go-Ahead is currently preparing for the start of three German rail contracts in 2019, in Baden-Württemberg and Bavaria. In June 2018, the Group was awarded a fourth German rail contract, E-Netz Allgäu, which will commence in 2021.

seven

international contracts won to date



South Eastern

We are shortlisted for the next South Eastern franchise to be awarded by the Department for Transport (DfT), which is expected to commence on 1 April 2019. Our rail bid team has submitted a strong bid for the franchise that will deliver value for passengers, taxpayers and shareholders alike.

Future growth

We have a clear international strategy and a robust framework through which this strategy will be delivered. We have three decades of experience operating complex transport networks in the UK. We're in an excellent position to leverage that expertise in new international markets, offering considerable value to passengers and tendering authorities. We are focused on markets with stable political and legal systems, where there's appetite for public transport use, and the tendering authorities are committed to introducing international expertise. Our target markets have visible pipelines of contracts and present opportunities to develop in other areas once a local platform has been established.

We have a target of developing international operations to deliver 15%-20% of Group operating profit by 2022.



Operational excellence in Singapore

Our operational excellence is also being recognised in our new markets. In 2017, the Transport Gold Award was awarded to eight of the Go-Ahead Singapore bus drivers, for displaying exemplary service and gracious behaviour to customers, further displaying our vision of a world where every journey is taken care of.



Go-Ahead international strategy

Why	Opportunities in the UK are well defined in a mature market. We have expertise and skills from our UK bus and rail operations that other countries recognise and want to benefit from		
How	Our strategy is to proactively target new bus and rail contracts and develop for the future of transport		
What	Plays to our strengths: <ul style="list-style-type: none"> • Land transport • Urban environment • High quality operations • Strong employee recruitment and engagement • Focus on customer experience • Devolved local management 	Good return on capital	Visible pipeline of work
		Preferred market entry via contract with regulatory authority	Low capital requirements
Where	Stable political & legal systems	Consistent with our values	Transport authority which wants international expertise
Current pipeline	Today Singapore Ireland Germany	Tomorrow Germany Ireland Australia Nordics Singapore	
Success	Our target is 15-20% Group operating profit by 2022		



STRATEGY IN ACTION



Develop for the future of transport

Passenger and customer needs are changing and so are we. To remain relevant to our customers and to stay in tune with the changing expectations in the transport sector, we are seeking new ways to use our skills, knowledge and assets to create growth and set us apart from the competition.

Mobileeee

Earlier this year, Go-Ahead acquired a 12% stake in Mobileeee, a Frankfurt based award winning car sharing company.

The company offers electric car sharing, carpool management, fleet solutions and fleet management, bringing together modern, affordable and sustainable solutions that allow users to participate in a new world of mobility.

Now in its seventh month, Mobileeee has over

140

cars in operation



Oxford PickMeUp

This year, Go-Ahead launched the UK's most ambitious demand responsive bus service, allowing passengers to summon a bus pick-up within minutes at a virtual bus stop at their convenience using a new mobile app.

The PickMeUp service, which is being piloted by the Oxford Bus Company, aims to meet the changing needs of people in the city and to reduce congestion.

Now in its second month of operation, PickMeUp has over

2,000

weekly riders



Hammock

At the end of 2017, Hammock, a new Go-Ahead company, was established to deliver consultancy, retail and digital solutions for public transport. It seeks to leverage Go-Ahead's strong expertise in delivering innovative retailing and digital solutions across public transport, making travel easier for customers and local authorities. To date, we have won two contracts with a local authority, commercialising our expertise in smart ticketing and payment solutions.



Continued innovation

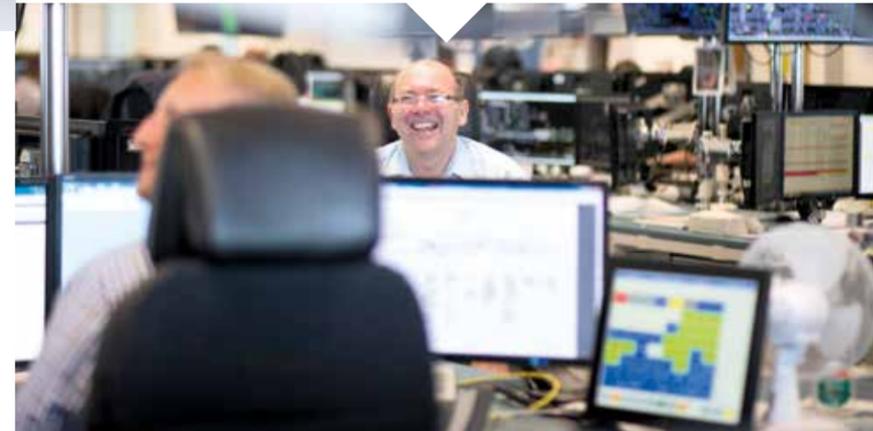
Our project team is currently exploring a range of solutions to make public transport a clear and simple choice for end-to-end journeys.

One such solution is Mobility as a Service (Maas), the integration of various forms of transport services into a single mobility service which is accessible on demand. This is enabled by combining transportation services from public and private transportation providers through a unified gateway that creates and manages the trip, which users can pay for with a single account.

With the continued growth of global eCommerce and increasing demand for product personalisation, there is an opportunity to leverage our assets through innovation. We have been exploring if Go-Ahead facilities such as spare capacity in depots, on buses and supporting services can be made to work for logistics partners and conducted a pilot at our Crawley depot during the year.

The Billion Journey Project

In July this year, Go-Ahead launched the Billion Journey Project, a new accelerator lab programme. The largest of its kind in the UK, the programme was developed with the ambition of helping start-ups and scale-ups implement their product across the rail and bus industry. The programme, which will initially nurture 10 companies, offers technical assistance and mentorship from our team of transport experts and will support new businesses looking to change and shape the future of transport by focusing on improving passenger experiences.



Go-Ahead Group awarded the Smart Cities UK Transport Award for 2018



Go-Ahead teamed up with technology experts at iBlocks to pioneer a cutting edge system offering customers a new form of contactless ticketing, called Hopsta. The app allows passengers to pay for their bus travel solely using mobile signals on their smartphone via iBeacons, when they board our buses.

Following a successful trial by students on our Unilink buses, operated by Go South Coast, a new and more sophisticated system is currently being piloted in the North East.

It marks the latest technological innovative success from Go-Ahead.

