

Our business is based on strong fundamentals...

Business overview

- Results in line with expectations
- Bus and rail operating profit at £90.7m (2016 restated: £91.2m) and £59.9m (2016 restated: £71.4m), respectively
- GTR service levels improving after impact and level of industrial action reduces
- Agreement reached in July with the DfT on GTR contractual variations relating to industrial action has reduced financial uncertainty
- Maintained sector-leading performance in customer satisfaction in regional bus, with score of 90%
- Southeastern achieved the largest ever improvement in customer satisfaction of any UK rail operator
- Proposed final dividend increase of 6.5%, in line with rise in interim dividend, resulting in a full year dividend of 102.08p
- Clear strategy of protecting and growing our core business, winning new bus and rail contracts, and developing for the future of transport

International development

- Progressing towards a new target for international operations to contribute 15% to 20% of Group operating profit within five years
- Bus contract in Singapore commenced and delivering high performance levels
- Third German rail contract secured and bus contract won in Dublin
- Actively exploring further bus and rail opportunities in Nordic region and Australia

Single remuneration figure

The total single remuneration figure for our executive directors for the year ended 1 July 2017 is shown below:

	2017 £'000	2016 £'000
Group Chief Executive – David Brown	801	1,214*
Group Chief Financial Officer – Patrick Butcher	422	269**

* Restated from last year to reflect actual value of the 2013/14 LTIP award which vested in November 2016. See page 89 for further information.

** The total single remuneration is for part-year only from the Group Chief Financial Officer's appointment on 14 March 2016 to 2 July 2016.

See directors' remuneration report on page 77.

Our strategic report for the year ended 1 July 2017, as set out on pages 2 to 45, and the directors' report on pages 96 to 99, have been reviewed and approved by the Board of directors.



Andrew Allner,
Chairman

6 September 2017

Performance in the year

90%

Regional bus customer
satisfaction
(2016: 89%)

82%

Rail customer satisfaction
(2016: 75%)

£3,481.1m

Total revenue
(2016: £3,361.3m)

£150.6m

Total operating profit
(2016 restated: £162.6m)

207.7p

Earnings per share
(2016 restated: 218.2p)

102.08p

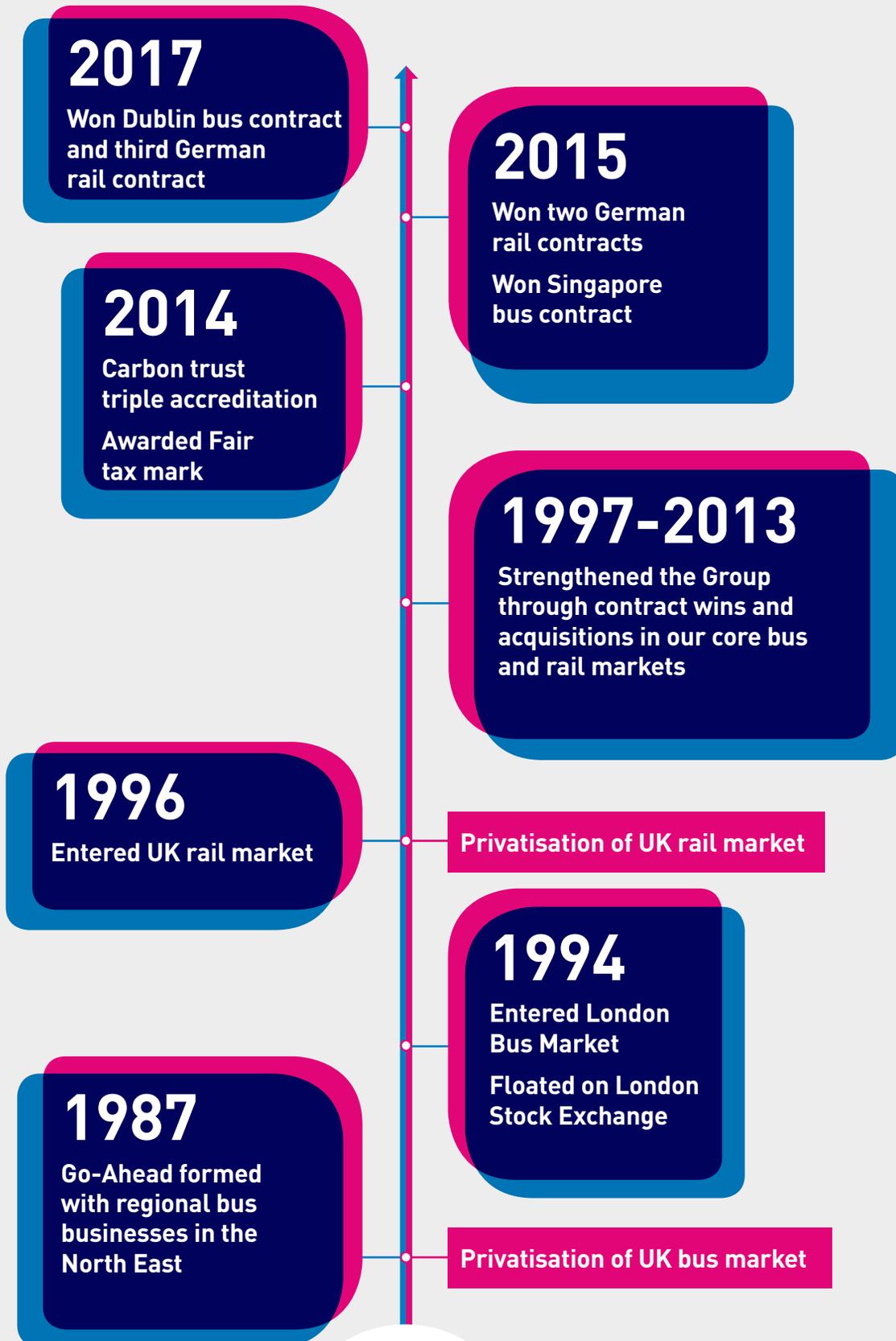
Dividend per share
(2016: 95.85p)

0.75kg

Carbon emissions per
passenger journey
(2016: 0.82kg)

OUR HISTORY

with 30 years of experience...



...generating long term value for all our stakeholders

We have thirty years of experience operating in UK public transport markets. Over this time, we have developed valuable skills, knowledge and expertise, building strength through this experience. Delivering shared value for all our stakeholders is fundamental to Go-Ahead's vision: a world where every journey is taken care of.

We deliver value through our core strengths:

Strong financial profile

- Robust balance sheet with low levels of debt
- Committed to dividend policy
- Efficient operator with tightly managed cost base

 [Read about our financial position and performance on page 22](#)

Established position in UK bus and rail markets

- Experienced operator and bidder
- Largest operator in London bus market
- Stable presence in strong south east regional bus markets
- Operator of the UK's busiest rail franchises

 [Read about our markets on page 10](#)

International development

- Significant opportunities in new and existing markets
- Five international contracts won to date
- Disciplined approach to bidding within clear risk framework

 [Read about our international development on page 5](#)

Customer-focused in our local markets

- Devolved structure with largely autonomous business units
- Local management to respond quickly and flexibly to customer's need

 [Read about our three UK markets on page 4](#)

At the heart of our communities

- Play a key role in the communities we serve and understand our local markets
- Supporting local economies by enabling access to work, education, leisure and retail

 [Read about key markets trends on page 10](#)

 [Read about our stakeholder relationships on pages 6 and 62](#)

Effective leadership and committed people

- Strong leadership is key to our success
- Focused on employee engagement
- We invest in our people and empower them to deliver change

 [Read about our people on page 36](#)

Leading the way in sustainability, innovation and transparency

- First transport group to achieve Carbon Trust triple accreditation
- Contributing to improving air quality
- First bus company outside London to introduce latest 'model 2' contactless payments
- First FTSE 350 to achieve the Fair Tax Mark

 [Read our case study about contactless payments on page 24](#)

Working in partnership

- We place great importance in our relationships and adopt a collaborative approach with local communities, the government and strategic partners in developing and operating services which create long term value for all stakeholders

 [Read our overview of GTR on page 20](#)

Robust risk management

- Continually identify, assess and prioritise risks to the business through robust risk management and internal control systems

 [Read about our approach to risk on page 40](#)