

2002

highlights

Business Highlights

Agreement with Strategic Rail Authority on Virgin Rail Group underpins viability of CrossCountry franchise and long-term shareholder value on West Coast franchise

South West Trains deed of amendment signed

- Discussions continuing on long-term franchise
- New franchise agreement to be signed later this year

New rolling stock deliveries progressing on our three major rail franchises

UK Bus sees strong growth in London and regional partnership centres

Rail development strategy on course; first international partnership with Wellington Regional Council

Continued strong performance from Overseas Bus

Coach USA costs under control; May/June revenues 8% below the prior year; full year operating profits expected to be no better than 2002

Full business review of Coach USA to be undertaken by December 2002

Financial Highlights

Turnover £2,111m (2001 – £2,084m)

Profit before tax¹ £107m (2001 – £123m²)

Free cash flow £184m (2001 – £228m)

Earnings per share¹ 6.3p (2001 – 7.5p²)

Dividend per share rebased to 2.6p
(2001 – 3.8p)

¹Profit figures are stated before goodwill amortisation and exceptional items

²Prior year comparative figures have been re-stated for FRS 19, "Deferred Tax"