

STAGECOACH GROUP Summary Annual Report 2003



UK Bus



Stagecoach has around 16% of the UK Bus market making it one of the largest bus operators in the UK. There are over 90 depots across the country, principally focused on providing scheduled passenger services.



turnover* (£m)	£598.4
operating profit* (£m)	£67.0
no. of vehicles†	7,100
no. of employeest	17,900

Rail

SOUTH WEST TRAINS



Our Rail division comprises three subsidiary operating companies: **South West Trains** (one of the largest UK rail franchises), **Island Line** (Isle of Wight) and Sheffield **Supertram** (which runs 29km of rail routes across the city). The Group also holds a 49% equity stake in **Virgin Rail Group** which operates the West Coast Mainline and CrossCountry rail franchises.



Rail subsidiaries	
turnover* (£m)	£413.6
operating profit* (£m)	£38.2
no. of vehicles†	1,300
no. of employeest	5,250



Virgin Rail Group	
turnover*‡ (£m)	£276.1
operating profit*‡ (£m)	£7.2

Coach USA



Coach USA is one of the largest providers of motorcoach, charter, tour and sightseeing services in the United States. The business is currently being restructured to concentrate on the substantial North East and North Central regions.



turnover* (£m)	£603.0
operating profit* (£m)	£14.0
no. of vehicles†	12,600*
no. of employeest	10,600

Overseas Bus

Stagecoach
NEW ZEALAND



Stagecoach New Zealand and **Citybus** are the largest providers of scheduled bus services in New Zealand and on Hong Kong Island respectively. There are also small bus operations in mainland China and the Group operates **Fullers Ferries** in Auckland, New Zealand. The Hong Kong and China operations were sold by Stagecoach in June 2003.



New Zealand	
turnover* (£m)	£51.0
operating profit* (£m)	£11.2
no. of vehicles†	1,050
no. of employeest	1,850



Citybus	
turnover* (£m)	£132.3
operating profit* (£m)	£19.1
no. of vehicles†	1,100
no. of employeest	3,250

Investments



The Group owns 31.2% of the ordinary shares of **Road King Infrastructure Limited** which operates over 1,000km of toll roads throughout China.

Stagecoach holds a 49% equity stake in **thetrainline.com** which operates a rail Internet and call centre booking service in the UK.



*Turnover and operating profit figures are for the year ended 30 April 2003. Operating profit refers to operating profit before goodwill amortisation and exceptional items.

†Vehicle and employee numbers are as at 30 April 2003.

‡Stagecoach's share.

#Includes driver-owned cabs.

Stagecoach Group is a leading international transport provider, committed to developing innovative solutions across our operations

Highlights 2003

Business highlights

- Continued profitability in all four key operating divisions
- Good progress in restructuring Coach USA
- c.£300m of disposals announced post year-end
- Terms of new franchise at South West Trains finalised
- Improved operational performance benefiting Rail Division
- Margin improvements at UK Bus
- Strong revenue and volume growth in New Zealand

Financial highlights

- Turnover £2,077m (2002 – £2,111m)
- Total operating profit* £146m (2002 – £167m)
- Profit before tax* £113m (2002 – £107m)
- £575m of exceptional write-downs from Coach USA review resulting in a statutory loss before tax of £500m (2002 – profit of £42m)
- Earnings per share* 6.4p; up from 6.3p
- Free cash flow up 18% to £218m
- Net debt down £215m to £560m
- Final dividend 2.6p (2002 – 2.6p)

* excluding goodwill amortisation and exceptional items

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