

**Set out below is a guide to commonly used financial, industry and Group related terms in the Annual Report and Accounts. These are not precise definitions and are included to provide readers with a guide to the general meaning of the terms.**

<p><b>AGM</b> Annual General Meeting</p> <p><b>APB</b> Auditing Practices Board, part of the Financial Reporting Council</p> <p><b>BAYE</b> Buy As You Earn</p> <p><b>The Board</b> The Board of Directors of the Company</p> <p><b>CGU</b> Cash Generating Unit</p> <p><b>CO<sub>2</sub>(e)</b> Carbon dioxide equivalent, allowing other greenhouse gas emissions to be expressed in terms of carbon dioxide based on their relative global warming potential. Usually expressed as per kilometre or per passenger kilometre</p> <p><b>Company</b> FirstGroup plc, a company registered in Scotland with number SC157176 whose registered office is at 395 King Street, Aberdeen AB24 5RP</p> <p><b>CPI</b> Consumer price index, an inflation measure that excludes certain housing related costs</p> <p><b>Defra</b> Department for Environment, Food and Rural Affairs (UK Government)</p> <p><b>DfT</b> Department for Transport</p> <p><b>Dividend</b> Amount payable per ordinary share on an interim and final basis</p> <p><b>EABP</b> Executive Annual Bonus Plan</p> <p><b>EBITDA</b> Earnings before interest, tax, depreciation and amortisation, calculated as adjusted operating profit less capital grant amortisation plus depreciation</p> <p><b>EBT</b> Employee benefit trust</p> <p><b>EPA</b> United States Environmental Protection Agency</p>	<p><b>EPS</b> Earnings per share</p> <p><b>GHG</b> Greenhouse gas emissions</p> <p><b>GPS</b> Global positioning system</p> <p><b>Group</b> FirstGroup plc and its subsidiaries</p> <p><b>GWR</b> Great Western Railway franchise</p> <p><b>IAS</b> International Accounting Standards</p> <p><b>IFRS</b> International Financial Reporting Standards</p> <p><b>KPIs</b> Key performance indicators, financial and non-financial metrics used to define and measure progress towards our strategic objectives</p> <p><b>LBG</b> London Benchmarking Group, an organisation that has created a framework for measuring community impact</p> <p><b>LGPS</b> Local Government Pension Scheme</p> <p><b>Like-for-like revenue</b> Revenue adjusted for changes in the composition of a divisional portfolio, holiday timing, 53<sup>rd</sup> week, severe weather and other factors, for example engineering possessions in First Rail, that distort the year-on-year trends in our passenger revenue businesses</p> <p><b>Local authority</b> Local government organisations in the UK, including unitary, metropolitan, district and county councils</p> <p><b>LTIP</b> Long Term Incentive Plan</p> <p><b>Net debt</b> The value of Group external borrowings excluding the fair value adjustment for coupon swaps designated against certain bonds, excluding accrued interest, less cash balances</p> <p><b>Network Rail</b> Owner and operator of Britain's rail infrastructure</p>	<p><b>NOx</b> A generic term for the nitrogen oxides that are most relevant for air pollution</p> <p><b>Ordinary shares</b> FirstGroup plc ordinary shares of 5p each</p> <p><b>PLC</b> Public limited company</p> <p><b>PPM</b> The rail industry's Public Performance Measure reflects punctuality and reliability. Trains are deemed punctual if they arrive at their destination, having made all timetabled stops, within five minutes of scheduled time for London and South East and regional/commuter services and ten minutes for long distance trains</p> <p><b>Road divisions</b> References to the 'Road' divisions combine First Student, First Transit, Greyhound, First Bus and Group items</p> <p><b>ROCE</b> Return on capital employed is a measure of capital efficiency and is calculated by dividing adjusted operating profit after tax by all assets and liabilities excluding debt items</p> <p><b>SAYE</b> Save As You Earn</p> <p><b>SWR</b> South Western Railway franchise</p> <p><b>TfL</b> Transport for London, the local government organisation responsible for most aspects of London's transport system</p> <p><b>TOC</b> Train operating company</p> <p><b>TPE</b> TransPennine Express rail franchise</p> <p><b>TSR</b> Total shareholder return, the growth in value of a shareholding over a specified period assuming that dividends are reinvested to purchase additional shares</p> <p><b>WRI/WBCSD</b> The Greenhouse Gas Protocol was developed by World Resources Institute and World Business Council on Sustainable Development</p>
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