

Financial summary of the year

- Underlying¹ Group revenue +5.7%, underlying¹ adjusted² operating profit +10.5%; adjusted EPS +15.2%³
- Adjusted² operating profit ahead of our expectations at £332.9m, led by growth and margin expansion in First Student and First Bus
- Net cash inflow⁷ of £197.3m, above expectations due to the phasing of certain First Rail cash inflows
- Due to a number of uncertainties, FirstGroup's share of future losses on SWR franchise of £102.1m recognised while negotiations continue with the Department for Transport; statutory operating profit of £9.8m also adversely impacted by a North America self-insurance charge of £94.8m
- Adjusted² profit before tax +13.1%³ and adjusted² EPS +15.2%³, reflecting refinancing and minority interests
- Reported net debt: EBITDA reduced to 1.3 times (2018: 1.5 times); Rail ring-fenced cash adjusted net debt: EBITDA 2.1 times (2018: 2.1 times)
- Statutory loss before tax of £(97.9)m (2018: loss before tax of £(326.9)m), reflects North American self-insurance reserve charge of £94.8m, the SWR onerous contract provision of £145.9m in total of which FirstGroup's 70% share is therefore £102.1m, £21.5m in respect of equalisation of guaranteed minimum pensions in the UK defined benefit schemes, £24.1m for restructuring and reorganisation costs principally from withdrawal of Greyhound services in Western Canada and £16.2m for loss on disposal and asset impairments of First Bus assets in Manchester, partially offset by a £9.3m gain on disposal of a major Greyhound depot
- Statutory EPS was (5.5)p (2018: (24.6)p)

	Change	Change in constant currency ³		Change
Revenue				
£7,126.9m	+11.4%	+11.0%		
2018: £6,398.4m				
Adjusted² operating profit			Statutory operating profit/(loss)	
£332.9m	+5.0%	+4.0%	£9.8m	n/m ⁶
2018: £317.0m			2018: £(196.2)m	
Adjusted² operating profit margin			Statutory operating profit/(loss) margin	
4.7%	(30)bps	(30)bps	0.1%	n/m ⁶
2018: 5.0%			2018: (3.1)%	
Adjusted² profit before tax			Statutory loss before tax	
£226.3m	+14.9%	+13.1%	£(97.9)m	n/m ⁶
2018: £197.0m			2018: £(326.9)m	
Adjusted² EPS			Statutory EPS	
14.4p	+17.1%	+15.2%	(5.5)p	n/m ⁶
2018: 12.3p			2018: (24.6)p	
Net debt⁴				
£903.4m	(15.6)%	(17.2)%		
2018: £1,070.3m				

- 1 Growth excluding SWR franchise (which became part of First Rail in August 2017) and the 53rd week in the Road divisions in constant currency, as set out in note 4 to the financial statements.
- 2 'Adjusted' figures throughout this document are before self-insurance reserve charge, the SWR onerous contract provision, restructuring and reorganisation costs, other intangible asset amortisation charges and certain other items as set out in note 4 to the financial statements.
- 3 Changes 'in constant currency' throughout this document are based on retranslating 2018 foreign currency amounts at 2019 rates.
- 4 Net debt is stated excluding accrued bond interest, as explained on page 28.
- 5 Central costs allocated by adjusted profit contribution.
- 6 Not meaningful.
- 7 'Net cash inflow' is described in the table shown on page 27 of the financial review.

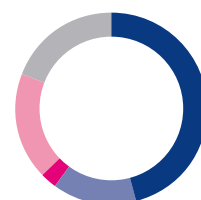
Revenue

(as % of Group)



Adjusted operating profit²

(as % of Group)



Number of employees

(as % of Group)

